

Hearings Take On Thornburgh for Crimes against Inslaw

After 10 years of uphill battle, **Bill and Nancy Hamilton** may at last be on the verge of obtaining some degree of justice.

Since May 1981, when they were bluntly informed by then-White House Counsel **Edwin Meese** that their computer software firm **Inslaw** would be blocked from winning a lucrative Department of Justice contract in order to pay off a rival firm for "intelligence favors" done for the 1980 Reagan-Bush campaign, the St. Louis couple has been in a knock-down, drag-out war with the DoJ, with such corporate giants as **AT&T**, with mob-linked Wall Street brokers, and apparently with the corrupt elements of the U.S. intelligence establishment.

Their company was driven into bankruptcy by top officials of the Justice Department who, according to the findings of two federal judges, resorted to "trickery, fraud, and deceit" to "steal" Inslaw's copyrighted **PROMIS** criminal justice case management software. The DoJ withheld millions of dollars in lease payments to Inslaw, thereby triggering the Chapter 11 bankruptcy and, as a consequence, sabotaging several hundred million dollars in other pending business deals.

They were targeted for a string of failed hostile takeovers by a group of companies all apparently linked to a CIA operator named **Earl Brian**, and to the **Meyer Lansky** mob's favorite Wall Street brokerage house, **Charles Allen and Co.** Brian has been implicated in secret **CIA** pay-offs to the ayatollahs in Iran between 1980 and 1986 as part of the "October Surprise" and the later **Iran-Contra** shenanigans of **North, Secord**, et al.

Brian's current financial empire, centered around **United Press International (UPI)** and **Financial News Network (FNN)**, is crumbling,

apparently as the result of illegal financial machinations. A Securities and Exchange Commission probe and a federal grand jury are now reportedly looking into Brian's finances.

When the Inslaw takeover bids were beaten back, the Hamiltons were targeted next for forced liquidation by no less an outfit than **AT&T**, which was working all the while with then-Deputy Attorney General **Arnold Burns**. Burns was a director of the **Anti-Defamation League's** mob-linked **Sterling National Bank** of New York, and was nearly indicted for his role in a phony offshore tax shelter scheme. According to the findings of a Senate Permanent Investigations Subcommittee probe, Burns, while deputy attorney general, intervened to have Inslaw's attorney fired from his law firm for refusing to cut a sellout deal with the department.

Ultimately, all these efforts to bury Inslaw failed—principally through the perseverance of the Hamiltons and their knack for convincing creditors that their company was still viable—and it now appears that their software was pirated by private agents working in collusion with the Justice Department (by now under the control of **Richard Thornburgh**). According to **Bill Hamilton**, the profits from the leasing of his pirated property to U.S. federal agencies, foreign governments, and multinationals could reach into the billions of dollars. According to several sources interviewed by Inslaw's attorneys and investigators, **Earl Brian** figured prominently in the piracy.

Brooks Takes on Thornburgh

For over a year, **Rep. Jack Brooks** (D-Tex.), the chairman of the House Judiciary Committee, has been looking into the Inslaw

scandal. Since September, his probe has been sideswiped by Attorney General **Richard Thornburgh**, who has refused to turn over hundreds of pages of department documents relating to the bankrupting of Inslaw. Thornburgh claims "attorney-client privilege." High-level Justice Department sources have told Inslaw that the bankruptcy scandal is "bigger than Watergate" and could bring down the entire corrupt apparatus that permeates the DoJ if those documents and other evidence were to find their way into congressional hands.

On Dec. 5, Representative **Brooks** held a day-long hearing into the Inslaw matter, focused on Thornburgh's withholding of documents.

Among the witnesses before the Brooks hearing were:

- Former Attorney General **Elliott Richardson**, one of Inslaw's attorneys, who provided the committee with a painstaking chronology of the DoJ's "criminal conspiracy" to sink his client. Richardson ended with an impassioned plea to the Congress to rectify the damage done to Inslaw and to force Justice to punish the culprits:

"Inslaw is left with only one recourse and that is the Congress. There is an inscription in the rotunda outside the office of the Attorney General of the United States that states, 'The United States wins its point whenever justice is done to citizens in the courts.' The Justice Department has chosen to ignore this principle; the Congress of the United States must remind the Justice Department that they are not just words inscribed on the rotunda to impress visitors to the Justice Department, but, rather, words that express a covenant between the government and the American people."

• **Judge George Francis Bason, Jr.**, the former federal bankruptcy judge for the District of Columbia who presided over the initial Inslaw case and found that the Justice Department had used "trickery, fraud, and deceit" to illegally bankrupt the firm. Judge Bason was blocked from reappointment to the bench by Justice Department intervention and has been blackballed from getting a job with any of the major Washington law firms.

Bason told the Brooks subcommittee: "I am paying the full price for doing my duty to render equal justice without regard to rank or position. As a judge I could not and would not do otherwise." Bason concluded that "such retaliation is the mark of a police state, not of democratic America."

In a move aimed at sending an ultimatum to Thornburgh, Representative Brooks called upon **Steven Ross**, the general counsel to the House of Representatives, to deliver testimony on the constitutional issues underlying Congress's right to review the Justice Department's handling of Inslaw. Reviewing a series of Supreme Court decisions spanning the Teapot Dome scandal, Watergate, and the Iran-Contra fiasco, Ross came down hard against Thornburgh, all but accusing him of a criminal coverup:

"It is apparent that time and again, attorneys general have put the excuse of pending proceedings as a basis for avoiding legitimate congressional oversight; that the Supreme Court has confirmed the validity of such oversight; that Congress has time and again insisted, successfully, on obtaining the internal records of the department despite such claims by the attorneys general; that when Congress has done so, it has been vindicated by the discovery of waste, fraud, abuse, and criminality; and that often attorneys general have been convicted or required to resign, after

the crumbling of such claims for withholding records." Thornburgh, in short, said Ross, is attempting to "eradicate the time-honored role of Congress in providing oversight."

Brooks declared that Thornburgh's behavior "could be described as coverup, or hiding, or holding out."

It is now expected that, barring Thornburgh's compliance with the committee's request for access to the 200-plus department documents, Brooks will move to subpoena both the attorney general and the records before an executive session of the committee.

Media Spotlight

Within a day of the hearings, the Inslaw case was in the headlines. **Mary McGrory**, in her syndicated column of Dec. 6, drew the parallel to Watergate:

"The words were bouncing off the walls of the House Judiciary Committee hearing room, the old charged words like 'executive privilege,' 'attorney-client privilege,' 'stonewalling,' 'perjury,' 'criminal conspiracy,' and 'subpoenaing documents.'"

"In the witness chair sat Elliot L. Richardson, polysyllabic and distinguished as ever, talking, as only a martyr can, about rectitude in government. On the dais sat three committee members who voted to impeach **Richard M. Nixon** on the heavy, historic night of July 27, 1974.

"But it wasn't about Watergate. It was about a new case of confrontation between the executive and the Congress, this time between an attorney general, Dick Thornburgh, who doesn't really need to get involved, and a prickly, irreverent Judiciary subcommittee chairman, Jack Brooks. . . .

"If Thornburgh is holding back on principle—he is notoriously anti-disclosure—he has to be a fanatic, because the Justice Department says this is just a little contract flap. He

makes it awfully hard to believe he is not covering up a potentially explosive scandal on the Watergate scale. We must hope the shredding machines are under strict surveillance at Justice."

Two days later, the *Washington Post* noted in an editorial titled "Another Inslaw inquiry," "It's hard to understand why the attorney general is refusing to cooperate. No one has asked that the material sought be made public, or shared with Inslaw's lawyers. The investigation is not about the conduct of private citizens but alleged wrongdoing by government lawyers, and the charges are extremely serious. The Judiciary Committee has not only the right, but the responsibility to look into these allegations, and the department's stonewalling only undermines its own credibility, not just with the committee that oversees the department's operations, but with the public as well."

The *Wall Street Journal* of Dec. 10 was even more blunt: "Attorney General Dick Thornburgh has a peculiar knack for reminding people of Watergate."

One possible explanation for Thornburgh's stonewalling (he treated Richardson "like a dog," to quote McGrory) lies in reports from senior Justice Department officials that the attorney general personally ordered the theft of the PROMIS software—months after two federal courts had imposed a permanent injunction against the pirating of the Inslaw property. According to these officials, a wide paper trail exists, showing that the attorney general's office began pressuring departmental agencies to use bootlegged copies of PROMIS. The theft is believed to extend to other federal agencies, including the **FBI** and the **CIA**.

If these reports prove accurate, Thornburgh could join the list of attorneys general cited in Steven Ross's testimony, who capped their careers in a federal prison.

Hearings Blast FBI and DEA for Lockerbie Coverup

A congressional committee has revived questions about possible U.S. government complicity in the terrorist bombing of **Pan Am Flight 103** which exploded over Lockerbie, Scotland on Dec. 21, 1988, leaving 270 dead.

In mid-December, **Rep. Robert Wise** (D-W.V.) chaired hearings of the House Government Operations Subcommittee on Government Information, Justice, and Agriculture, probing the **FBI** and the **Drug Enforcement Administration's** (DEA) recent internal investigations into allegations that a drug enforcement "sting" operation may have inadvertently helped terrorists bypass security procedures at Frankfurt Airport in Germany and plant the bomb aboard Flight 103. Both probes whitewashed any involvement of DEA personnel or informants in the tragedy.

One day before the hearings, *Barrons* magazine published a report in its Dec. 17, 1990 issue stating that both government and private investigators had corroborated critical details of a September 1989 investigator's report prepared for Pan Am, indicating that **CIA** personnel operating in Frankfurt had helped a notorious Syrian terrorist and narcotics trafficker, **Mansur Al-Kassar**, in the Pan Am massacre. The original Pan Am report was prepared by the New York City-based **Interfor**, a private consulting firm headed by a former **Israeli Defense Force** and **Mossad** officer, **Juval Aviv**.

Barrons reporter **Maggie Mahar** wrote that several active duty and retired U.S. intelligence officials had confirmed that the Aviv report contained accurate details about the bomb plot which have been covered up by the **Bush** administration.

On Dec. 14, attorneys for Pan American World Airways filed a third

party suit against the U.S. government in federal court in Brooklyn, New York, charging the United States with responsibility for the massacre.

The Pan Am papers charged that "commencing in or about 1987, the United States established an operation, through one or more of its agencies, including the [DEA], designed to identify, arrest, prosecute and convict persons involved in illegal drug activities in the United States. . . . In order to facilitate the operation, the United States utilized known criminals, terrorists, terrorist organizations and terrorist sympathizers. . . . The United States knew that United States flag air carriers, including Pan Am, were targets of terrorist attacks and knew or should have known that by utilizing Pan Am passenger flights, by relying upon known criminals, terrorists, terrorist organizations and terrorist sympathizers . . . the operation seriously jeopardized and endangered Pan Am passengers, crews and aircraft."

The lid is beginning to blow, despite the best efforts of the Bush administration to cover up the complicity of U.S. intelligence agencies, and the Syrian government of new-found ally **Hafez al-Assad**, in that heinous act.

Wise Blasts the FBI

Wise opened the public part of the hearings on Dec. 18 by tearing into the FBI for refusing to provide a witness or any information requested by the subcommittee despite the fact that Deputy Attorney General **William Barr** issued a press release on Dec. 4 proclaiming that the FBI had completed its probe of possible DEA complicity in the Pan Am 103 bombing and had given the agency a clean bill of health. While the FBI was being "totally uncooperative," the DEA was stone-

walling the probe by withholding documents and refusing to make any DEA field agents or station chiefs available to the committee. Instead, assistant administrators **David Westrate** and **Steven Greene** claimed that the DEA had searched over 1,600 case files, had questioned agents, informants, and other personnel, and had concluded "1,000%" that the "scenario" presented in recent news accounts, that a DEA sting at Frankfurt Airport had helped a terrorist bypass security and place a bomb aboard the plane, was "impossible."

Before the committee was reconvened in a closed-door executive session, Greene and Westrate admitted that no fewer than three suspected narcotics traffickers and/or DEA informants or sub-sources were onboard when Flight 103 went down. The revelation was made in the context of the DEA officials' denial that a particular passenger, **Jafar**, who had been named in an **NBC News** story as the bomb courier and a DEA informant, had ever worked for or had any contact with the agency.

Sources report that congressional investigators already have evidence showing that Greene and Westrate were lying under oath on a number of critical issues, and that one purpose for having them appear in public session was to lay a perjury trap.

With Pan Am's lawsuit now filed, with the Wise subcommittee scheduled to hold more hearings in January, and with several private investigations still ongoing, it is a sure bet that the Lockerbie scandal will not die.

Earlier in 1990, syndicated columnist **Jack Anderson** reported that one of President Bush's first actions in January 1989 was to work out a coverup of the Pan Am scan-

dal with Prime Minister **Margaret Thatcher**.

Investigator Aviv is convinced that eventually the Lockerbie scandal will land at Bush's doorstep. He

recently told North New Jersey *Herald* reporter **David Kelly**, "If we are right—and we are right—this will lead all the way up to the White House. I hate to be the one to make

Dan Quayle the next President—but the chips will fall where they may."

Bronfman Collaboration with East Germans Exposed

For years, this newsletter has exposed Canadian whiskey baron and **World Jewish Congress** head **Edgar Bronfman** for his collaboration with the Soviet **KGB** and with the former East German secret police agency, the **Stasi**.

Now, a prominent German Jewish historian, **Michael Wolffsohn**, has published a series of letters and transcripts of private meetings proving that Edgar Bronfman was actively conspiring with the East German Communists as late as November 1989 to sabotage German reunification.

In the Dec. 21 *Frankfurter Allgemeine Zeitung*, Wolffsohn, who is currently lecturing at the German Army College in Munich, revealed the contents of a series of documents captured from the East German Foreign Ministry files following the unification of Germany on Oct. 3, 1990. The documents reveal that, between Oct. 17, 1988 and Nov. 30, 1989, Bronfman and his WJC emissaries maintained close contact with the leadership of the **SED**, or East German communist party, providing business channels to U.S. firms competing with West German companies, working with unnamed officials of the U.S. State Department to wreck unification, and providing a back-channel to Israeli diplomats who were favorable to the survival of a separate communist state in East Germany.

In one particularly damning letter to East German Foreign Minister **Oskar Fischer**, dated Nov. 30,

1989, **Maram Stern**, Bronfman's Western European WJC representative, congratulated the communist on his reappointment as minister, declaring, "The WJC is a friend of the G.D.R. [East Germany] and will continue to be." Boasting that his boss Edgar Bronfman had enormous clout in Washington, Stern promised that the WJC would work actively behind the scenes to prevent the "selling out of the G.D.R. to the F.R.G.," West Germany.

One concrete proposal put forward by Stern in the letter to Fischer was that the East German government contract **ITT** (International Telephone & Telegraph) to revamp the country's telecommunications grid. The planned modernization program was expected to be contracted to the West German firm **Siemens**.

Stern also proposed to arrange introductions for Fischer with the Israeli ambassadors in Romania and Belgium. The two would be far more sympathetic to the East German communists than would the Israeli diplomats in either Paris or Bonn, and would push for Israeli recognition of the East German regime, Stern suggested.

Symbolizing the close personal relationship between **Anti-Defamation League** honcho Bronfman and East German communist party boss **Erich Honecker**, the **Seagram's** chairman had been presented with the highest civilian award given by East Germany on Oct. 17, 1988. At that time, Bronfman, who traveled

to East Berlin to receive the award in person, told Honecker that he would arrange for an official state visit to Washington, D.C. for Honecker.

In return for his "friendship" Bronfman also was given lucrative contracts to supply East German communist bigwigs with booze—straight from the **Seagram's** distilleries.

How Far Did It Go?

It is noteworthy, given the Montreal-based Edgar Bronfman's longstanding British Intelligence ties, that shortly after the Stern-Fischer letter vowing to block the "selling-out" of East Germany, West German banker **Alfred Herrhausen**, the leading ally of Chancellor **Helmut Kohl** in the effort to reunify the two postwar German states, was assassinated by terrorists of the **Red Army Faction (RAF)**.

Since the late 1970s, when a "second generation" of the **Baader-Meinhof Gang** was created out of the **Heidelberg Mental Patients Collective**, the German terrorist underground has been jointly managed and deployed by the KGB and Stasi on the one hand, and by British intelligence on the other. This overall collusion, which extends into drug trafficking as well as terrorism, also implicates American and Israeli intelligence agencies associated with "**Project Democracy**."

The Herrhausen assassination is widely believed to have been a "derivative assassination" ordered in London as part of the effort to stymie the reunification drive, the same ef-

country's murderous cocaine traffickers, and legalization of the drug trade the top agenda items in their electoral platforms. Instead, the voters selected a candidate who promised to win the war on drugs, and who claimed to come out of the tradition of anti-drug fighters **Rodrigo Lara Bonilla** and **Luis Carlos Galán**, both fallen heroes in that war.

It was with horror, then, that Colombians learned of President **César Gaviria's** first act in office: His appointment of the narco-terrorist **M-19** chieftain **Antonio Navarro Wolf** to head the Ministry of Health. While Gaviria lamely described Navarro as "highly competent" and "having one of the best resumé's of any member of the cabinet," the bitter joke that immediately began circulating among medical layers, was that the only experience with medicine Navarro had was the 60 days he was hospitalized after losing a leg in a 1985 terrorist grenade attack. Navarro resigned the ministry a few months later to head up the winning **M-19** slate of candidates to the Constituent Assembly.

Terrorism and Gnosticism

Who is Antonio Navarro Wolf, and what is the **M-19** he leads? A former "sanitation engineer" who did his postgraduate studies at the **London School of Economics** on a **Rockefeller Foundation** grant, Navarro joined the **M-19** in 1978, when the largely student-based movement was heavily into Gnostic mysticism and Castroite rhetoric, and financed itself through kidnappings. Navarro Wolf's mentor was **M-19** leader **Jaime Bateman**, the son of a Gnostic magician who wove "invisible chains" to keep him immortal. Bateman died in an airplane crash in 1984, while reportedly smuggling a large quantity of illegal drugs out of the country.

Before his death, however, Bateman told the Peruvian magazine *Caretas* that the secret to a successful guerrilla insurgency is

magic: "I believe that our work needs more passion right now than reason. When people reason, they become pathetically slow, afraid. . . . Science stultifies the world, and stultifies thinking. . . . The traditional left refuses to acknowledge the importance of cults, magical thought, religious manifestations."

Navarro Wolf took over the **M-19** after Bateman's demise, but never abandoned the Gnostic mysticism and "New Age" outlook of his mentor. In a 1985 interview with the Mexican magazine *Cuadernos Políticos*, he endorsed Bateman's "philosophy" as the key to recruiting children to the **M-19's** cultural warfare strategy: "What Bateman said is true: You don't need so much to win over the minds of the people, as you have to win their hearts. . . . Very rapid social dynamics are needed in countries with . . . a youth without hope, which expects nothing from the future. . . . For example, in the [guerrilla] camps, we worked with *gamins*, abandoned children who do not have parents and live in the streets: Thousands of children aged 10, 14, 16; these are the worst of human marginality, because they are marginalized in childhood. Organized in the camps, these children become a factor of tremendous dynamism in the popular struggle. . . . To what do you call all these people? To something quasi-magical, audacious, novel, vital."

Under Bateman and Navarro Wolf's joint leadership in the 1980s, the **M-19** became an adjunct of the Medellín-based cocaine cartel. In 1981, cocaine trafficker **Jaime Guillot Lara** was arrested by Mexican authorities and confessed to being a major arms supplier for the **M-19**, which used cocaine shipments to finance its weapons purchases. That same year, according to Navarro Wolf's own public admission, a non-aggression pact was signed with the **Medellín Cartel**. In 1984, **M-19** leader **Iván Merino Ospina** called a Mexico City press confer-

ence to endorse the cocaine cartel's threat to "kill one American for every Colombian extradited." Said Ospina, "These threats should be carried out throughout the world against the representatives of rapacious imperialism."

How Navarro Wolf Deals with Judges

In November 1985, forty **M-19** terrorists stormed the Colombian Justice Palace. They sought out and cold-bloodedly executed every member of the Supreme Court who had taken a stance in favor of extraditing drug traffickers. They destroyed every legal dossier containing drug-trafficking charges and/or extradition proceedings. They demanded a public trial of then President **Belisario Betancur**, to be carried out by the **M-19**. They were reportedly paid \$5 million by the Medellín Cartel for their bloody siege, which led to the deaths of 100 people and the gutting of the Justice Palace. Navarro Wolf, in Cuba at the time of the attack, today claims he gave no authorization for the narco-terrorist siege.

And yet, as the **M-19's** 1990 presidential candidate, Navarro Wolf called for an end to extradition, the legalization of the drug trade, and the conversion of marijuana and cocaine production into "a legitimate agricultural activity." Said Navarro, "If there are no serious solutions on the global level, at least we should aspire to coexist with the problem in the most civilized manner possible."

After the May presidential election in which he took third place, Navarro told the press, "Doubtless this means that we are going to take power in the short term."

In May, Navarro Wolf placed third in the presidential elections, and in the Dec. 9 elections for the Constituent Assembly to write a new Colombian Constitution, Navarro obtained 27%, the largest number of votes, although nearly 75% of the electorate stayed home.

Investigative Leads Editorial

Does Bush's New World Order Mean Terror Threat to U.S.A.?

If there is one thing certain about George Bush's much ballyhoo'd New World Order, it is the increased probability that United States territory and Americans abroad will become priority targets of international terrorists.

The Bush administration's ill-advised Gulf adventure, if it results in a shooting war, will likely trigger an out-of-control string of regional conflicts spreading from the Indian subcontinent to Africa, to the Far East and into Ibero-America. Religious, ethnic, and tribal wars, which know no borders, could go on unchecked for years—ultimately leading to a Third World War.

Leading spokesmen for the Bush New World Order have repeatedly cited the shift from the Cold War era of East-West conflict to a new period of North versus South struggle, using such formulations as "NATO out-of-area deployments" and "demographic shifts" to paper over a policy that at its core advocates wars directed against the Third World on behalf of population reduction and raw materials control.

Such follies threaten to set the United States up as the "global cop" in a world beset with famine, disease and social chaos—and as the future hate object for hundreds of millions of desperate and disenfranchised peoples.

Lyndon LaRouche has characterized this emerging period as one of global upheaval, similar in many ways to the decades from the 1890s up to the outbreak of World War I in 1914.

Concrete Threats

Iraq has made it clear from the opening days of the Gulf crisis that it will "bring the war back home" to the shores of Europe and America if a "hot conflict" starts.

As early as Sept. 19, Iraq's Deputy Prime Minister Tahe Yasin Ramadan stated that "Iraq will strike at U.S. interests anywhere in the world if U.S. forces attack Iraq."

One week later, Iraqi state radio broadcast the warning that "If war erupts, Iraq is determined to deprive Americans and Europeans who think themselves far away from the hot frontlines, of a quiet night sleep. It can make them live with the thunder explosions every day going off close to their doors and no billions of the dollars they have received from the oil-rich harem-maniac sheikhs of the Gulf can ensure for them a tranquil and happy sleep."

American media accounts have warned of Iraqi-deployed terrorists unleashing biological and chemical warfare weapons inside the United States.

What's more, the Gulf crisis has already accelerated an internal shift inside the Soviet Empire in the direction of a new hardline power combination, based on the Red Army, the internal security forces (KGB), and ultra-nationalist elements linked to the messianic Russian Orthodox Church.

Whether President Gorbachov survives or falls is irrelevant to the all-but-guaranteed, rapid consolidation of this traditional Russian power arrangement. Long-time readers of *IL* and *EIR* will recall that this turn has been forecast by Lyndon LaRouche for years, dating back to Moscow's original rejection of President Ronald Reagan's offer to jointly develop strategic ballistic missile defense systems that would end the threat of thermonuclear war forever and would rapidly accelerate the internal economic development of the Soviet Union.

According to one U.S. Navy source, the RAND Corporation and other U.S. think tanks are now beginning to study the impact of the Gulf situation on the American capacity to maintain an adequate security presence in Western Europe, confronting a potential future revived Soviet threat. Preliminary conclusions are that the defense of the West has been already severely compromised and would be dangerously weakened in the event of a war in the Gulf.

IL has warned in recent issues of the emerging threat of a "Trojan Horse" narco-terrorist apparatus emerging out of the former Warsaw Pact state security organs and corrupt elements of Western intelligence typified by the Bronfman apparatus of Canada, the vestiges of the Iran-Contra apparatus, etc.

Television news accounts claim that the "Carlos the Jackal" organization may now be operating as contract terrorists available to the highest bidder.

On New Year's Eve, New York City police went on alert over possible terror attacks against six military sites in the area, including the Brooklyn Navy Yard.

While the New Year passed without incident, the threat of future terrorist actions inside the United States, especially if war breaks out in the Gulf anytime soon, remains high. And a recent incident in El Salvador in which an American military helicopter was shot down with a Soviet made anti-aircraft missile and the crew was apparently executed by leftist guerrillas after they

had bailed out to safety, portends of a fresh outbreak of irregular warfare inside the Central American cockpit.

Moreover, while traditional left-wing and right-wing radical groups have tended to disintegrate over the past decade into small, sectarian cells, more easily monitored and contained by law enforcement and intelligence agencies, a new, mass-based radical ecology movement has gained remarkable following, and represents the potential hard core of a new terrorism targeted against "polluters and animal abusers." These New Age activists are driven by an irrational zeal that has already in a number of demonstrable cases been shown to take an overt terrorist form. Groups like Earth First! and the Animal Liberation Front could very well emerge as the Red Brigades and Weathermen of the 1990s.

In short, 1991 promises to be a year of renewed unconventional warfare all over the globe. If the United States itself is to continue a relatively charmed existence free of major terrorist incidents, it will be on the basis of some dramatic changes in policy at the White House and Congressional levels, combined with persistent vigilance on the part of the law enforcement and intelligence community.

Keeping close tabs on the twists and turns of the international situation will be critical to effective preemptive work. The editors of *IL* intend to help by continuing to provide a worldwide overview of breaking events to ensure that our readers enjoy the best possible vision during these turbulent and challenging days.

From the Archives: The Moro Assassination and the Current Gulf Crisis

[EDITOR'S NOTE: The following article details previously unpublished information about the spring 1978 kidnapping and murder of Italian statesman **Aldo Moro**, former Foreign Minister, Prime Minister, and, at the time of his death, President of the **Christian Democratic Party** (DC). This information provides some important insights into the current Mideast crisis and the relationship between international secret diplomacy and the deployment of terrorists.]

In 1973, the European **NATO** countries, and Italy in particular, found themselves in a strategic situation very similar to the present one. The U.S. administration, through **Henry Kissinger**, had demanded that Europe do its part in the Yom Kippur War between Israel and the Arab countries.

Kissinger had asked the Italian government for the immediate use of military bases in order to resupply Israel, even if that would be understood by the Arab countries as an act of hostility. Contrary to today's situation, 17 years ago, the Italian foreign minister had the guts to say no. He was Aldo Moro, the states-

man who was kidnapped and killed by the **Red Brigades** five years later, after having been threatened in no uncertain terms by Henry Kissinger.

Not a NATO Crisis

In one of his last statements before he was assassinated in 1978, Moro dwelt on that incident. "Although risking frictions with our powerful ally, we explained that we refused the bases that were requested, above all because of no forewarning and no adequate explanation of why this was to be considered a NATO crisis. The new pro-Arab or at least more balanced orientation of Europe and Italy continued to be badly digested by the Americans who continued to interfere in the existence, the modalities, and the preconditions of the European-Arab dialogue, with the effect of somewhat slowing down the pace of that dialogue and partially emptying it of its content."

But Moro was not talking about Americans in generic terms. A few days before dying he pointed his finger at a precise individual. "This was in large part the position of Henry Kissinger who did not make

a mystery of it and cultivated an animus against the Italian position and me personally. As it was explained to me by objective sources and as some very unpleasant episodes confirmed, I was portrayed as bent on an indiscriminate agreement with the **Italian Communist Party**."

Moro also revealed that Kissinger tried an overt coup inside the leadership of his party, the Christian Democracy (DC). He was excluded from very important parties at the American embassy in Rome "by directive of the then secretary of state" who tried also "with extreme simplicity and a certain dose of rudeness" to replace the DC old guard ("the more traditional and unsophisticated group to which I belonged") with a younger set.

Mediterranean: Lake of Peace

It was the foreign policy of Moro, especially concerning the Mediterranean basin, and not the planted story that he was "a Communist agent," that provoked Kissinger's fury. The lesson of what happened is extremely useful now, when **George Bush** is forcing the Europeans to carry out a suicidal Middle East policy comparable to (or worse

INVESTIGATIVE LEADS

For investigative
purposes only

Volume 12, No. 5

Published by Executive Intelligence Review

February 1991

PE/MP/LP-08

Bush-Gaviria in Deal with Narcos

The latest estimate of damage caused so far this year to Colombia's transportation, communications, and power grids, and to the mining, oil, agriculture, industry, and trade sectors by the rampaging FARC (Revolutionary Armed Forces of Colombia) and ELN (National Liberation Army) "narco-guerrillas," stands at \$400 million and climbing, according to a Feb. 26 report issued by the Development Ministry. That same day, a combined FARC-ELN commando squad dynamited an electrical tower in the Pacific port city of Buenaventura, knocking out all electricity for 280,000 people, and hit a petroleum storage facility in Santander department. Elsewhere that week, a cement factory was assaulted, the country's major oil pipeline dynamited yet again, and dozens of farm tractors, passenger buses, cargo boats, and tractor-trailer trucks blown up or burned in lightning assaults across the country.

And yet, on Feb. 25, President César Gaviria's "peace adviser" Jesús Antonio Bejarano told the media that his government had agreed to hold "informal" talks with those very narco-terrorist groups, in order to bring them into the "political process" in the same way the M-19 and EPL terrorists were amnestied before them. Gaviria's highly touted "peace initiative" includes not only full legal pardon for both the FARC-ELN's previous *and ongoing* acts of subversion—including sabotage, kidnaping, and murder—but would also grant them government protection, political party status, financial

rewards, and as many as a dozen seats among the 70 delegates in the Constituent Assembly now engaged in writing a new national constitution.

The Colombian government's official submission to dual-power rule with Moscow's narco-terrorists has already received the seal of approval from the Bush administration. During a five-day visit to the United States Feb. 23-27, Gaviria expounded at great length on his "peace" initiatives, both toward the cocaine cartels and their narco-terrorist guerrilla associates. Despite certain skepticism among U.S. law enforcement layers regarding Gaviria's decision to abandon repression in favor of U.S.-modeled plea-bargaining, President Bush called Gaviria's initiatives "courageous" and "heroic," and promised full cooperation—including signing a treaty with Gaviria pledging to supply Colombia's notoriously corrupt judiciary with years' worth of evidence against the drug cartels gathered by the U.S. Drug Enforcement Administration and other security and intelligence services. That evidence, once used *or abused*, becomes worthless in any future trials under the double jeopardy clause.

The *Christian Science Monitor* of Feb. 26 noted that "Mr. Gaviria's U.S. trip takes place against a paradoxical backdrop that includes cocaine traffickers' surrendering to police amid an overall increase in drug violence. . . . From Gaviria's perspective, and from that of some Colombians, the end of cartel terrorist violence, if not the cartel itself, is

in sight." The daily adds that "The positive view of [Gaviria's] policy is best expressed by Jaime Castro, a Liberal Party delegate in the National Assembly"; Castro, a former government minister, called for the "progressive decriminalization" of the production, marketing, and consumption of drugs.

While Gaviria's peace tenders to the rampaging FARC and ELN terrorists were significantly downplayed in U.S. media coverage of the Colombian President's trip, it is a known fact that the Bush administration is privately backing U.N.-sponsored initiatives to create a similar dual-power arrangement in El Salvador between the government and Farabundo Martí National Liberation Front (FMLN) rebels in that country. Colombia's terrorists have explicitly modeled their own negotiating demands on those of their Salvadoran counterparts.

'Negotiating' at the Point of a Gun

The economic blackmail wreaked by the FARC-ELN's 10-15,000 guerrillas has already forced the weak-kneed Gaviria government to backtrack on a number of the condi-

Bush-Gaviria Sellout	1
Nebraska scandal	
spreads	2
Kissinger pals in Panama	5
Moscow breaks with	
Bronfman?	6
IRS dirty tricks	8
ADL new cointelpro	9

tions it had successfully imposed on the M-19 and EPL (People's Liberation Army), including the demand for cease-fire and disarmament before dialogue. The government is also apparently yielding on the crucial issue of military jurisdiction: A preliminary "consultation" between FARC-ELN representatives and the government's negotiators is scheduled to be held "somewhere" in the region of La Uribe, the FARC's former stronghold in the department of Meta, during which the area is supposed to be off limits to the Colombian Armed Forces. In response to complaints that the military was not withdrawing, the Defense Ministry assured the terrorists that any continuing confrontations between its troops and FARC commandos were solely in "restricted" areas, and should have no serious consequences for future government-guerrilla dialogues.

The terrorists are nonetheless using the incident to insist that the appropriate location for such peace talks should be the Constituent Assembly, which was first formed—in explicit violation of Colombia's standing Constitution—as a concession to the M-19 and pro-terrorist left on the one hand, and to the drug cartels and their political protectors on the other. Of course, at the top of the Assembly's agenda are the narco-terrorists' longstanding demands: civilian control over the mili-

tary, an end to "human rights abuses," and prohibiting extradition.

On Feb. 26, the widely read *Semana* magazine noted that if the FARC-ELN are granted the 11 seats on the Assembly they are seeking, they and their allied "former" narco-terrorists will control 33 out of the 70 delegates charged with establishing Colombia's new constitutional foundations! In alliance with the narco-politicians of the Liberal and Conservative parties who bought their way onto the Assembly, the narco-terrorists should have little trouble forcing through their own agenda.

The FARC and ELN have other unqualified demands, including local political control for their amnestied forces, and participation of the "former" terrorists in a civilian police corps. *Semana* notes that President Gaviria and his advisers "have come to the conclusion that in some parts of the country today controlled by the guerrilla, pacification has to be linked to the legitimization of power that the guerrilla already possesses. . . . If today, guerrillas govern outside the law, the idea is to design mechanisms so that they may continue to do so under duly constituted authority."

Semana adds that, "since in not all cases does the presence of the guerrilla coincide with a municipal jurisdiction, the creation of new municipalities in order to provide an institutional base, is not ruled out." The magazine further notes that if the guerrillas' other demand is granted, the FARC-ELN will surrender their weapons amid great pomp and international fanfare, only to be

"legally rearmed and absorbed institutionally as civilian police."

Stipend, Medical Benefits, and a Credit Line

Finally, based on an evaluation of the government's standing agreement with the amnestied M-19 (only some aspects of which have been publicly revealed), *Semana* reports that each "demobilized" guerrilla is being offered a monthly stipend of \$134 (above the minimum wage), as compared to the \$18 a month earned by the average Colombian soldier. The "ex"-guerrilla is also provided free hospital care, social security benefits, university credit, 14-year agricultural loans, and a hefty credit line. The average Colombian soldier earns no university credit, must pay a percentage of his wages for medical care at a military hospital, and must qualify for bank credit like any other Colombian citizen.

Not all of Colombia's media have such a detached evaluation of the Colombian government's criminal capitulation. The opposition daily *El Espectador* denounced the Gaviria administration in a Feb. 18 editorial: "Under pressure of blackmail and crime, the state refrains from exercising its fundamental responsibility to protect human life, and instead agrees to negotiate away, one by one, the juridical principles that underlie the very existence of the state . . . all in its zeal to find peace. . . . A strange complicity among many of our leaders with common crime is delivering Colombia to its worst enemies."

Nebraska Pedophile Ring Linked to Get LaRouche Activists

The investigation by this news service into an Omaha, Nebraska-based pedophile ring has turned up significant links to prominent Republican Party figures who are tied

to President George Bush and to several major players in the federal government's "Get LaRouche" strike force.

Some of these leads may tie the

Investigative Leads published 12 times annually by:

Executive Intelligence Review, P.O. Box 17390, Washington, D.C. 200 41-0390, © 1991, EIRNS.

Editor: Jeffrey Steinberg

Subscription by mail for the U.S.: 1 year—\$75. To arrange for private special project reports, mail inquiry to Investigative Leads, P.O. Box 17390, Washington, D.C. 20041-0390 or call (703) 777-9451. Affiliates: *Spuren und Motive*, Dotzheimer Str. 161, 6200 Wiesbaden, BRD. Tel: (06121) 449031.

To subscribe to *Investigative Leads*, call (703) 777-9451 or mail to *Investigative Leads*, P.O. Box 17390, Washington, D.C. 20041-0390; \$75 for 12 issues annually.

Cannabinoids cross the placental barrier and appear in maternal milk. Thus the fetus can be affected in the uterus by cannabis smoked by its mother, as well as by contaminated breast milk. Experimental studies indicate that the negative effects on development which have been seen in different animal species may be caused by: preconception exposure to cannabis with damage to the germ cells (sperm and egg); prenatal exposure in the uterus; and/or postnatal exposure to contam

In c
use, cig
ble cau
the mo
now ap

IR
ecuti
ox 1739

2 INVESTIGATIVE LEADS

tions it had successfully imposed on the M-19 and EPL (People's Liberation Army), including the demand for cease-fire and disarmament before dialogue. The government is also apparently yielding on the crucial issue of military jurisdiction: A preliminary "consultation" between FARC-ELN representatives and the government's negotiators is scheduled to be held "somewhere" in the region of La Uribe, the FARC's former stronghold in the department of Meta, during which the area is supposed to be *off limits* to the Colombian Armed Forces. In response to complaints that the military was not withdrawing, the Defense Ministry assured the terrorists that any continuing confrontations between its troops and FARC commandos were solely in "restricted" areas, and should have no serious consequences for future government-guerrilla dialogues.

The terrorists are nonetheless using the incident to insist that the appropriate location for such peace talks should be the Constituent Assembly, which was first formed—in explicit violation of Colombia's standing Constitution—as a concession to the M-19 and pro-terrorist left on the one hand, and to the drug cartels and their political protectors on the other. Of course, at the top of the Assembly's agenda are the narco-terrorists' longstanding demands: civilian control over the mili-

Investigative Leads published 12 times annually by:

Executive Intelligence Review, P.O. Box 17390, Washington, D.C. 200 41-0390, © 1991, EIRNS.

Editor: Jeffrey Steinberg

Subscription by mail for the U.S.: 1 year—\$75. To arrange for private special project reports, mail inquiry to Investigative Leads, P.O. Box 17390, Washington, D.C. 20041-0390 or call (703) 777-9451. Affiliates: *Spuren und Motive*, Dotzheimer Str. 161, 6200 Wiesbaden, BRD. Tel: (06121) 449031.

To subscribe to *Investigative Leads*, call (703) 777-9451 or mail to *Investigative Leads*, P.O. Box 17390, Washington, D.C. 20041-0390; \$75 for 12 issues annually.

syndrome may actually represent the effects of marijuana.

Unlike alcohol, in which the heaviest consumption occurs among a small percentage of the total number of consumers, regular marijuana consumption is more widely distributed among the total number of consumers. Epidemiological studies indicate that the abuse potential of cannabis (its capacity to induce daily intoxication) may be nine times greater than that

tary, an end to "human rights abuses," and prohibiting extradition.

On Feb. 26, the widely read *Semana* magazine noted that if the FARC-ELN are granted the 11 seats on the Assembly they are seeking, they and their allied "former" narco-terrorists will control 33 out of the 70 delegates charged with establishing Colombia's new constitutional foundations! In alliance with the narco-politicians of the Liberal and Conservative parties who bought their way onto the Assembly, the narco-terrorists should have little trouble forcing through their own agenda.

The FARC and ELN have other unqualified demands, including local political control for their amnestied forces, and participation of the "former" terrorists in a civilian police corps. *Semana* notes that President Gaviria and his advisers "have come to the conclusion that in some parts of the country today controlled by the guerrilla, pacification has to be linked to the legitimization of power that the guerrilla already possesses. . . . If today, guerrillas govern outside the law, the idea is to design mechanisms so that they may continue to do so under duly constituted authority."

Semana adds that, "since in not all cases does the presence of the guerrilla coincide with a municipal jurisdiction, the creation of new municipalities in order to provide an institutional base, is not ruled out." The magazine further notes that if the guerrillas' other demand is granted, the FARC-ELN will surrender their weapons amid great pomp and international fanfare, only to be

"legally rearmed and absorbed institutionally as civilian police."

Stipend, Medical Benefits, and a Credit Line

Finally, based on an evaluation of the government's standing agreement with the amnestied M-19 (only some aspects of which have been publicly revealed), *Semana* reports that each "demobilized" guerrilla is being offered a monthly stipend of \$134 (above the minimum wage), as compared to the \$18 a month earned by the average Colombian soldier. The "ex"-guerrilla is also provided free hospital care, social security benefits, university credit, 14-year agricultural loans, and a hefty credit line. The average Colombian soldier earns no university credit, must pay a percentage of his wages for medical care at a military hospital, and must qualify for bank credit like any other Colombian citizen.

Not all of Colombia's media have such a detached evaluation of the Colombian government's criminal capitulation. The opposition daily *El Espectador* denounced the Gaviria administration in a Feb. 18 editorial: "Under pressure of blackmail and crime, the state refrains from exercising its fundamental responsibility to protect human life, and instead agrees to negotiate away, one by one, the juridical principles that underlie the very existence of the state . . . all in its zeal to find peace. . . . A strange complicity among many of our leaders with common crime is delivering Colombia to its worst enemies."

Nebraska Pedophile Ring Linked to Get LaRouche Activists

The investigation by this news service into an Omaha, Nebraska-based pedophile ring has turned up significant links to prominent Republican Party figures who are tied

to President George Bush and to several major players in the federal government's "Get LaRouche" strike force.

Some of these leads may tie the

Omaha network
pedophile ring
Washington
resulting in a
nal conviction
death of one
byist Craig S

The Omaha
the headline
after the co
Federal Cr
prominent
King. Evid
lions had b
bank, some
laundered
Contra en
which had
pedophile

Among
implicated
scandal a
tempted
derson, p
World H
longtime
Departme
local FB
(who no
erterror
Anderson
Franklin
point tha
is widely
leading

The 'Go

Now,
forts re
network
GOP c
of Was
Wall S
promin
tion an
dential
omist
the fig
Omaha
ment
Train,
ment's
the La
GOP
who r

Omaha network to an international pedophile ring that was exposed in Washington, D.C. in summer 1989, resulting in a series of recent criminal convictions, and the "suicide" death of one of its major clients, lobbyist Craig Spence.

The Omaha scandal broke into the headlines in November 1988, after the collapse of the Franklin Federal Credit Union, headed by prominent black Republican Larry King. Evidence surfaced that millions had been embezzled from the bank, some of which apparently was laundered into the criminal Iran-Contra enterprise, and some of which had financed a nationwide pedophile ring.

Among leading Omaha figures implicated in the Franklin pedophile scandal and the subsequent attempted coverup were Harold Anderson, publisher of the *Omaha World Herald*; Robert Wadman, longtime chief of the Omaha Police Department; and Nick O'Hara, the local FBI Special Agent-in-Charge (who now heads the FBI's counterterrorism program at headquarters). Anderson was a director of the Franklin Federal Credit Union at the point that the FBI shut its doors, and is widely described as one of King's leading political patrons.

The 'Get LaRouche' Links

Now, continuing investigative efforts reveal that the Omaha-based networks are part of a nationwide GOP circle that includes a number of Washington powerbrokers and Wall Street operators who figured prominently in the railroad conviction and jailing of four-time presidential candidate and political economist Lyndon LaRouche. Among the figures most closely tied to the Omaha crew are: Wall Street investment counselor and author John Train, who headed the government's propaganda drive to set up the LaRouche railroad; Washington GOP lobbyist Robert Keith Gray, who reportedly played a pivotal role

behind the scenes in pressuring the Reagan-Bush administration to shut down the LaRouche organization; and Warren Buffett, another Larry King sponsor who runs an international insurance and media empire out of Omaha, and is personal investment counselor to *Washington Post* publisher Katharine Graham. All of these men figured prominently in the Iran-Contra mess and most have personal ties to George Bush.

Fact: In his 1980 book *The Money Masters*, John Train devotes the lead chapter to a laudatory profile of Warren Buffett, the Omaha multimillionaire whose personal portfolio includes a large chunk of stock in the *Washington Post Corp.* (which he sold off several years ago while still remaining one of Katharine Graham's key advisers), *Capitol Cities/ABC*, the insurance giant *GEICO*, the *Buffalo Evening News*, and 12 other insurance companies. Buffett sat for years on the board of directors of Harold Anderson's *Omaha World Herald*, and today remains an intimate political and business associate. Buffett and his wife Susie Thompson, like Anderson, were prominent sponsors of Larry King's political career.

Fact: Buffett's association with "Get LaRouche" operator Train and the Train political nexus extends beyond the Train literary tribute. Buffett is a former corporate colleague and longtime friend of Walter Schloss, treasurer of Freedom House, a hub of Project Democracy criminality. Anderson's Omaha World Herald Foundation regularly finances Freedom House.

John Train sits on the advisory board of Freedom House, along with the group's honorary chairman and founder Leo Cherne. As chairman of President Reagan's Foreign Intelligence Advisory Board, Cherne authorized a January 1983 active measures campaign against LaRouche which led to the April 1983 activation of the Train-directed propaganda drive to smear the poli-

tician most responsible for Reagan's March 23, 1983 Strategic Defense Initiative.

Freedom House receives an estimated 40% of the annual budget of the National Endowment for Democracy, and is a principal point of convergence of Wall Street money and the Anti-Defamation League, precisely the networks that joined forces to railroad LaRouche.

Harold Anderson is also a regular funder of the local chapter of the ADL and a member of the Omaha B'nai B'rith Lodge.

Once the Omaha pedophile scandal broke, Anderson made the pages of the *World Herald* available to the ADL and other longtime LaRouche libelers to ensure that the child abuse crimes were covered up.

Fact: Another point of intersection between the Buffett empire and "Get LaRouche" case officer Train operates through Mira Lansky Boland and her husband John Boland. A financial consultant and Wall Street newsletter columnist, John Boland is a longtime protégé of Walter Schloss. Wife Mira Lansky, a former CIA employee and pal of convicted Israeli-Soviet spy Jonathan Jay Pollard, is the ADL's leading anti-LaRouche operative. She participated in several of the Train salon sessions that plotted the propaganda campaign against LaRouche.

Fact: Washington, D.C.'s most prominent Nebraskan is also one of the capital's most notorious homosexuals and political insiders: Robert Keith Gray. Intimate associates have confirmed that Gray's closest colleague back in Omaha is *World Herald* publisher Anderson, one of the central figures in the pedophile scandal. In 1980, Bill Joern, the head of the Nebraska Society of Washington, D.C. and a close associate of Anderson, awarded Robert Keith Gray the Nebraskan of the Year award. Gray still maintains a home in his birthplace Hastings.

4 INVESTIGATIVE LEADS

Neb. and is a major player in state GOP affairs.

Gray is currently CEO and President of Hill and Knowlton Public Affairs Worldwide, one of the world's largest public relations firms. During the Reagan years, Gray ran his own PR firm, Robert Keith Gray and Co., which he eventually sold back to his former employers Hill and Knowlton. During that period, Gray employed Rob Owen, who was an aide to then-Sen. Dan Quayle (R-Ind.); he was also a key Irangate underling to Oliver North, and who himself played a central role in Contra covert financing.

Fact: Gray has longstanding ties to President Bush and key Bush advisers. During his early days as a Washington GOP operator, he served with Gordon Gray on the staff of President Eisenhower. Gordon Gray's son, C. Boyden Gray, is today general counsel to the President, and was named in a 1988 federal court proceeding in Boston as a coordinator of the Reagan-Bush administration's secret war against the LaRouche political movement. Another person widely identified as an insider in the anti-LaRouche program while serving as chief of staff to then-Vice President Bush is Craig Fuller. Fuller is now Robert Keith Gray's number-two man at Hill and Knowlton and reportedly his designated successor.

The Genocide Lobby

Virtually all of the prominent homosexual politicians and fellow travelers implicated in the "Get LaRouche" effort have another thing in common that defines them collectively as enemies of LaRouche and the human race. All are active members of the genocide lobby, peddling various forms of zero population growth, radical ecology, and like propaganda.

Fact: In addition to active financing of the world federalist Pugwash Conferences, Buffett, through his Warren Buffett Foundation, is a

longtime backer of various radical ecology and zero growth causes, including Negative Population Growth, a group described as one of the most extremist of the ZPG outfits.

This sponsorship of zero growth puts the Omaha insurance magnate in the same circles as President Bush, who earned a reputation back in the 1970s as a rabid Malthusian for his membership in the Draper Fund and his sponsorship of Third World population reduction programs. In this respect, Bush was following in his father's footsteps. As a business partner of Averill Harriman in the 1930s, Prescott Bush had actively backed Adolf Hitler on the basis of Hitler's pro-eugenics policies.

Fact: Both John Train and Robert Keith Gray, two top dogs in the "Get LaRouche" campaign, are also activists in the genocide lobby. Back in the 1950s, while studying at the Sorbonne and editing the avant-garde *Paris Review* with the likes of Stephen Spender and Aldous Huxley, Train was peddling various ecology quack ideas. *Paris Review* was a project of the Anglophile wing of the CIA aimed at pioneering New Age ideas among American and European intellectuals. Among Train's closest collaborators then and now were Sir James and Teddy Goldsmith, leading British financiers and back-to-nature freaks. Train's first cousin, Russell Train, heads the World Wildlife Fund USA.

Not surprisingly, Robert Keith Gray not only counts World Wildlife USA among his PR clients. He sits on the executive board of the group and counts Russell Train among his intimates, according to published accounts.

The 'Lavender Mafia'

Fact: Larry King, in addition to his GOP activities and his role in the Franklin Federal Credit Union, was involved in a number of Omaha business ventures, several of which have been linked to the Washing-

ton-based Professional Services, Inc., a homosexual prostitution ring that was busted in summer 1989. The scandal that ensued implicated top officials of the Bush administration, the U.S. Congress, the Pentagon, and prominent D.C. lobbyists and international businessmen in a drug-homosexual *demi-monde*. According to one senior federal law enforcement official, C. Boyden Gray was personally involved in the coverup of the scandal. During his two terms as Governor of Pennsylvania, Attorney General Richard Thornburgh made two trade junkets to the Far East that were arranged by Craig Spence, according to Pennsylvania sources. It is not surprising that the Thornburgh Justice Department and the FBI have gone way out on a limb to cover up the Omaha and Washington pedophile scandals.

According to an eyewitness account, King owned several joint ventures with the proprietors of Professional Services, and may have been involved in funneling young boys from the Midwest and from overseas into the D.C. area for weekend homosexual parties, some of which apparently had Satanic ritualistic overtones.

The same eyewitnesses say that in the early 1980s, King was often seen in the company of Craig Spence, the high-roller lobbyist who was Professional Services' best customer. Spence, a representative of several major Japanese industrial firms in Washington, became notorious for hosting lavish parties where drugs, male prostitutes, and you-name-it could be procured. After the *Washington Times* broke the Professional Services scandal, Spence, who was already dying of AIDS, apparently committed suicide in a Boston hotel room under mysterious circumstances that leave open the question of whether he was murdered because of what he knew about the sexual tastes of senior Bush administration officials.

Ongoing Probe

The information gathered to date tying the Omaha and Washington pedophile rings to "Get LaRouche" strike force key personnel is preliminary. The investigation is continuing. A serious criminal probe of the links between the Omaha and Washington termini of this network would, according to several well-placed observers, unravel an international crime syndicate of extraordinary scope and depravity, involved in the kidnaping, abuse, and, in some cases, murder of young boys and girls. The clientele are apparently some of the world's best-known, most prominent, politicians, businessmen, and royalty.

What is already clear is the fact that the pedophile networks and their "lavender" Republican fellow travelers who set out to railroad Lyndon LaRouche are driven by a deep philosophical hatred that dates back to the early 1970s, when LaRouche launched an all-out campaign to destroy the genocide lobby. It is this constituency and these issues that drove George Bush to personally campaign at one point during the 1988 elections to have LaRouche thrown in jail.

The Train Salon

According to federal and state court records, as well as other documents, beginning in April 1983, John Train hosted a series of private meetings to plan out a media smear campaign against Lyndon LaRouche. The project was officially sanctioned by White House National Security Council Public Diplomacy coordinator and career CIA officer Walter Raymond, a fact demonstrated by the presence at the initial meeting of NSC staff consultant Roy Godson.

Among the other known participants in these sessions were:

- Mira Lansky Boland, the ex-CIA agent and protégé of British and Israeli intelligence mole Uri Ra'anani, who was installed in 1982 at the

ADL's Fact Finding Division to take charge of the Get LaRouche effort;

- Richard Mellon Scaife, Irangate moneybags and financial angel of Roy Godson and John Train;

- Ellen Hume, *Wall Street Journal* staff writer;

- Patricia Lynch, NBC-TV producer who prepared a half hour slander against LaRouche that was aired on the First Camera news magazine in March 1984, and who later was caught collaborating with Soviet KGB officials in covering up the assassination of Swedish Prime Minister Olof Palme by attempting to blame the murder on LaRouche;

- Dennis King, a hired pen on the payroll of the ADL and New York City homosexual gangster, attorney Roy Cohn, who is the ostensible author of a book-length diatribe against LaRouche, as well as arti-

cles in the *New Republic* and *Wall Street Journal* (with Pat Lynch):

- Chip Berlet, *High Times* magazine editor and ADL informant who has worked closely with King for over a decade, and who began his political career as a leading fundraiser for the National Student Association, a group subsequently exposed as a CIA front;

- John Rees, a British national who has served for decades as a snitch for various U.S. intelligence agencies, and who is financed by Richard Mellon Scaife and the ADL. In addition to attending the Train sessions, Rees picked up the tab for another attendee, Chip Berlet;

- Sol Sanders, at the time an editor of *Business Week*, and an active Iran-Contra figure whose name appears frequently throughout Lt. Col. Oliver North's personal notebooks.

Kissinger Buddies Tied to Drug Cartel

The U.S. State Department charged, in a report issued March 1, that drug money-laundering in Panama is back up to the levels of 1989, when George Bush ordered the invasion of that country. That invasion, in which at least 4,000 Panamanians civilians were killed was to "get Panamanian strongman Gen. Manuel Noriega."

The Panamanian leader was cast as evil incarnate by the Bush administration's psychological warfare apparatus. The removal of the "drug-trafficking" Noriega, we were asked to believe, would stop, or at least significantly slow down, the flow of drugs into the United States.

Not only is drug money-laundering on the rise in Panama, but it is being done by the same people who did it before, and that includes most of the officials in the puppet government Bush installed in Panama to replace Noriega, including President Guillermo Endara himself.

And not just dirty money. "Statistics now indicate that since General Noriega's departure, cocaine trafficking has, in fact, prospered," according to an article in the British newspaper the *Independent* of March 5. "The departure of Noriega and his feared army appears not to have hindered the smugglers," writes David Adams. It "may even have encouraged them."

So, will Bush now order an invasion to seize Panama's new strongman, U.S. Ambassador Deane Hinton? After all, since the invasion, "Washington [has been] calling all the shots" in Panama, as the London *Financial Times* reported on Feb. 18. That means that, based on the standards used against Noriega, the Bush administration is guilty for the increased drug flow.

Take the case of confessed Colombian drug trafficker Ramón Navarro. In 1986, Navarro masterminded a drugs-for-arms scheme to smuggle more than 700 pounds of

6 INVESTIGATIVE LEADS

cocaine into the U.S. aboard the luxury yacht *Krill*. The deal went sour when officers of Colombia's National Police boarded the *Krill*, confiscated the cocaine, and arrested the crew. The U.S. indicted the alleged conspirators.

What did Navarro get for his drug smuggling? Total immunity from prosecution and \$170,000 from the U.S. government. In exchange, he was to put the blame on Noriega.

Navarro will not get to testify, however, because he died in a traffic accident while driving his BMW in Miami on Feb. 27, two days after the start of the trial against two Noriega co-defendants.

In his opening statement at the trial, Assistant U.S. Attorney Richard Sullivan charged that besides Noriega, the *Krill* conspiracy included Panamanian pilot César Rodríguez and Gen. Rubén Darío Paredes (ret.), Noriega's predecessor as commander of the Panamanian Defense Forces (PDF). In fact, according to the prosecutor, it was General Paredes who sold the *Krill* to Navarro and to William Saldariga, one of the defendants.

The whole Paredes family is apparently implicated. Son Amet Paredes pled guilty and will testify for the prosecution, while Rubén Darío Paredes, Jr. was killed by the mafia in 1986.

Political Enemies Operation

Richard Sharpstein, attorney for defendant Brian Davidow, an American, charged that the case was cooked up "by the political enemies of Noriega" to settle a struggle for power in Panama. Noriega and Gen. Rubén Paredes had a falling-out in the 1980s when Noriega replaced Paredes as head of the PDF, he said. "They never would have been partners in the drug deal."

Sharpstein's account is confirmed by one who should know: U.S. Deputy Secretary of State Lawrence Eagleburger, the former president of Kissinger Associates, Inc.

On Aug. 31, 1989, Eagleburger claimed that the U.S. had a right to go after Noriega, because Noriega had violated a "solemn compact," which established that once he assumed command from General Paredes, Noriega "should place the support of the military behind General Paredes's candidacy for the presidency."

"We know what happened," added Eagleburger. "Once Paredes was out, Noriega worked against his candidacy." That upset Henry Kissinger, who was sponsoring Paredes's presidential bid. In 1984, an *EIR* correspondent observed Kissinger and Paredes huddled together in Washington, plotting

strategy.

Noriega did more than spoil Kissinger's plans to put Paredes in Panama's presidential palace. As soon as he took over the PDF, he ordered the dismantling of a cocaine-processing lab installed by the Medellín Cartel with Paredes's approval, in the jungle province of Darién.

So tied up with the drug mafias was Kissinger's protégé Paredes, that when his son Rubén, Jr. disappeared after the *Krill* deal went bust, Paredes, Sr. vouched for the innocence of the Medellín Cartel. He spoke to drug kingpin Jorge Ochoa, he said, and the Ochoas "have given me their word."

Soviets Break with Kissinger-Bronfman?

On Feb. 12, 1991, the new Prime Minister of the Soviet Union, Valentin Pavlov, gave an interview to the trade union magazine *Trud* in which he charged that Western banking and intelligence circles were running a major financial destabilization directed against the Gorbachov regime.

IL provides a detailed report on the scandal that has erupted around these charges because it signals a serious breach in Soviet links to the Edgar Bronfman-centered Anti-Defamation League/World Jewish Congress circles, including former U.S. Secretary of State Henry A. Kissinger and his worldwide consulting business, Kissinger Associates.

As recently as December of last year, Bronfman and his close business associate Albert Reichman had each visited Moscow and met personally with Mikhail Gorbachov. Bronfman also met with Russian Republic president Boris Yeltsin. In November 1989, Bronfman representatives had conferred with the Foreign Minister of East Germany and vowed to block the "sellout" of communist G.D.R. to West Ger-

many—i.e. to staunchly oppose German reunification. For his ongoing efforts, the previous year Bronfman had been awarded the highest civilian medal given by the East Berlin regime. The Bronfman channel to Moscow had been one of the crucial vehicles through which the ADL crowd in the United States, Britain and Israel had managed to collaborate with Soviet intelligence. A breach in that link has potentially profound implications.

The 'Trud' Interview

In the *Trud* interview, Soviet Prime Minister Pavlov provided sketchy details of an alleged ruble dumping plot:

"We know that plans to channel a large influx of money into the country has been in the making for a long time. This is being done through various means, including buying up 100- and 500-ruble denominations. Banking organizations in our country and a number of private banks in Austria, Switzerland and Canada joined in on this. I will not name the banks but I know specifically which ones are involved. I do not yet have

the right to talk about this or many other things either since the financial war declared against us is continuing and 'war is war.' You cannot tell your opponent everything you know about him. I can say, for example, that we know about the attempt to resell billions in Soviet money through the Federal Republic of Germany to Switzerland, through Hungary to Luxembourg, the Netherlands and so forth. . . . Such an influx of money would be tantamount to a financial catastrophe.

"If this were to happen pensioners and handicapped people would barely be able to buy a couple of books of matches with their 100 rubles. . . . We are speaking about artificially forced hyperinflation. . . . Actions like this have been conducted in many regions of the world when people have wanted to change the political structure or get rid of uncooperative political figures. It is simply that President Gorbachov has begun to step on someone's toes. . . . One can only guess what the relationship is here between, for example, this influx of money and the events in Iraq.

"I just want to add that in the event of a financial disaster there could be, for example, this course of events. Advocates of rapid privatization could come into power. They would carry it out under conditions of growing inflation in such a way that our country would be sold at a discount on the auction block. We would be threatened by a loss of economic independence and a kind of annexation 'quiet' and bloodless."

Under normal circumstances, such charges from a senior Soviet government official would be justifiably dismissed as propaganda and disinformation. However, following the Pavlov interview, a number of Canadian banks closely allied with the Bronfman-Seagrams Corp. financial interests issued unprecedented public statements denying the allegations—even through they

were never mentioned by name.

Several weeks after the initial interview, Pavlov released new details naming the London-based Barclays Bank and the American Express Corp. as two agencies involved in the scheme. *IL* also obtained documents from several U.S.-based currency exchange houses confirming that a British company, Dove Trading International, had put out a series of bids in late 1990 for the purchase of large blocs of rubles. The rubles were to have been deposited in numbered bank accounts in the Soviet Foreign Exchange Bank branches in the Russian Republic.

In December 1990, an official of Dove had been detained by Soviet police at Moscow International Airport and questioned about his business activities in the U.S.S.R. The company is headed by Colin Gibbons, presently a fugitive on the Interpol wanted list. Gibbons was indicted by British customs officials nearly two years ago on charges that he was involved in illegal currency transactions involving the Republic of South Africa.

Dove Trading, however, appears to represent merely a small piece of the picture. According to *IL* sources closely tied to U.S. intelligence circles, there is some truth to the Pavlov charges. The currency dumping scheme, which implicated several top aides to Russian Republic President Boris Yeltsin, appears to have been centered, according to these sources, out of a newly constituted investment firm, Central European Development Corporation (CEDC).

The Kissinger Web

Founded last June by a group of wealthy Canadian and American investors all tied to Kissinger and the ADL, CEDC is headed by the former Bush administration ambassador to Hungary, R. Mark Palmer. A protégé of Kissinger, Palmer now operates out of offices in Berlin. CEDC has satellite offices in Prague and

Budapest, which both reportedly are in the commercial attaché's sections of the U.S. embassies.

The money behind CEDC comes principally from a group of Hungarian Jewish investors, including the Budapest-based George Soros, the Canada-based Andrew Sarlos and Albert Reichman, and Ronald Lauder, the Reagan administration ambassador to Austria and the heir to Estée Lauder cosmetics fortune.

Late last year, just prior to the detention and interrogating of the Dove Trading official in Moscow, Palmer and company abruptly changed their plans to house CEDC in Budapest and instead set up shop in Berlin.

The financial interests represented by the CEDC, which has been described by one Washington source both as an adjunct to Kissinger Associates and a vehicle at the disposal of the Israeli Mossad, are closely aligned with American Express, which was named by Pavlov as a principal player in the ruble manipulations. Amex merged over the past decade with a number of major Wall Street brokerage houses and banks including Shearson Lehman, Kuhn Loeb and Safra Bank, and is now a hub of ADL financial power. The attorney behind all these mergers and reorganizations was Kenneth Bialkin, the longtime national chairman of the Anti-Defamation League and the former attorney for dope financier Robert Vesco.

The apparent Soviet break with this Bronfman-ADL-Kissinger faction has the potential to reopen Soviet ties to Western circles more interested in pursuing economic development and war avoidance. Bronfman and Kissinger had been two of the leading architects of the disastrous Malta deal between Bush and Gorbachov.

It was the Malta deal, which began the forced migration of hundreds of thousands of Soviet Jews to Israel, that was one major under-

cannabis smoked by its mother, as well as by contaminated breast milk. Experimental studies indicate that the negative effects on development which have been seen in different animal species may be caused by: preconception exposure to *marijuana* in the germ cells (sperm and egg).

among a small percentage of the total number of consumers. Epidemiological studies indicate that the abuse potential of cannabis (its capacity to induce daily intoxication) may be nine times greater than that

8 INVESTIGATIVE LEADS

lying cause of the recent Gulf war. The conditions that led to that conflict still remain as before, and could lead to a new Mideast war in the immediate months ahead. To the extent that some factions in Moscow see that as a losing venture for the Soviet Union and link it to the kinds of lunatic economic policies being imposed by the International Monetary Fund and major international

financial institutions in Central Europe today, Moscow could embark on a new policy course.

Given, however, the commitments of the Bush administration and British government to precisely those IMF policies, the break could also mean a serious escalation in covert warfare by the KGB and its assets throughout the world. If the break means furthering the power of

the so-called Third Rome hardliner, things could very nasty.

However the situation proceeds, it is essential that U.S. law enforcement and intelligence professionals are informed about these events, which have gone largely unreported or misreported in both the media and in official government evaluations.

IRS: Political Police for the Establishment

The same year Lyndon H. LaRouche was jailed as a political prisoner, the Internal Revenue Service (IRS) publicly bragged about its role in the judicial lynching of the American statesman. The 1989 Annual Report of the IRS highlighted the conviction of LaRouche on phony tax charges as justification for its unbridled powers to harass, intimidate and force out of existence, persons and organizations opposed to the policies of the Anglo-American Establishment.

Virtually admitting the political nature of its targeting, the 1989 Annual Report brags about the role of the Criminal Investigation (CI) Division of IRS in railroading LaRouche and associates. "Although the CI," stated the Annual Report, "devotes considerable resources to special emphasis activities such as narcotics, organized crime or money-laundering, equal attention is given to investigating violations involving income from legal sources.

"Two CI case during 1989 involving income tax violations from legal sources, which received nationwide publicity, were against Leona Helmsley of New York and Lyndon H. LaRouche, Jr. of Virginia.

"...Mr. LaRouche was sentenced to 15 years in prison on charges of federal conspiracy, tax fraud, and mail fraud violations stemming from a multi-agency grand jury investigation into his fun-

draising activities," stated the Annual Report.

And as if a threat to others who might oppose the Establishment, the Annual Report stated, "CI is developing an Automated Criminal Investigation System to provide special agents with modern computer tools for analyses of business records and other investigative applications. The new system will be integrated with other IRS automated systems." Big Brother is always watching to catch you.

The IRS has always been a vehicle for politically motivated attacks. One might think that the main interest of the IRS is to collect ever increasing amounts of money from those least able to pay, but scholarly studies prove the contrary. Even though the IRS is one of the largest enforcement agencies in the U.S., "Direct enforcement accounts for less than 3% of total tax revenues, but fully two-thirds of IRS's money and staffing are devoted to enforcement," reports a 1981 study titled "Social Control in Civil Law: The Case of Income Tax Enforcement," published in *Law and Deviance*, Sage Annual Reviews of Studies in Deviance.

A wealth of documents, released over the years, through the Freedom of Information Act reveals the unconstitutional nature of the IRS's assault on the First Amendment. The project really takes off at the

tail-end of the short-lived Kennedy administration.

An internal IRS Memorandum to Regional Commissioners, dated Aug. 27, 1963 entitled: "Audit of Ideological Exempt Organizations," stated, "At the forthcoming Regional Commissioners' Conference the agenda calls for a discussion of our special study on ideological exempt organizations. These organizations often referred to by the press as right- or left-Owing have become a formidable force in society today. While much of the comment regarding their activities has centered about the so-called right-wing organizations, our obvious concern is to whether exempt status, irrespective of the public label placed on these organizations, was properly granted.

"The present program, relating to the political or ideological type of exempt organization, is part of the step-up in enforcement activities within the exempt organization area as a whole."

The memo continues to detail how the project was initiated in November 1961 with a test audit of 22 "extremist groups" on both sides of "center," to determine if IRS could put them out of business. But the memo laments, "By and large, however, the true purpose of the test audit program was not satisfactorily accomplished," because IRS agents in the field had yet to be

stepped in being political hitmen. "The difficulties experienced by the field," stated the memo, "are certainly understandable. These examinations require reorientation of the agent's thinking and place him into areas fraught with interpretative difficulties. In undertaking such tax audits, agents must look into various means used by these organizations to express and communicate their philosophies. Not only does this involve an analysis of books and pamphlets published by the organization, but it also means the monitoring of telecasts and broadcasts and the examination of hundreds and in some cases thousands of speeches. . . .

"In the light of the results reached in the test audit program, it was determined to expand the examination program to include a larger number of political action organizations," the memo continued. By the end of 1963, hundreds of political groups were under scrutiny.

Mindful of initial resistance to the program, the author of the memo, then-Assistant to the Commissioner of IRS Mitchell Rogovin wrote, "In undertaking this examination program, we are quite mindful of the costs to be incurred by the Service. It has been estimated that there will be a potential loss of approximately \$175,000 for every man-year spent on such examinations, as opposed to 'otherwise productive' income tax audits. In view however of the decision made to move forward in this program, it was decided that this topic be placed on the agenda because of its obvious sensitive nature."

For the young attorney Mitchell Rogovin, "sensitive" projects would become his specialty. Having joined the IRS's Office of Chief Counsel in 1958, he quickly rose to the position of assistant to the commissioner by 1961. He became a hands-on central figure in the "Ideological Organizations" project graduating to IRS chief counsel in 1964, at the age of

34. After a few years as Assistant Attorney General of the U.S., he went into private practice with the firm of Arnold and Porter.

But when the CIA found itself under a congressional and media microscope for outrageous constitutional abuses in the mid-1970s, Rogovin was hired as the CIA chief counsel to manage the "damage control." His ability to handle "sensitive" cases earned him the CIA's Distinguished Intelligence Medal in 1976. In 1979-80, he directed the special inquiry into the Three Mile Island affair and is presently a Washington D.C. attorney with Rogovin, Hugel & Schiller.

By 1965, the structure for a "Political Thought Police" at IRS was well in place. A Dec. 31, 1965 assessment of the "Ideological Organizations" project by William Lehrfeld, Senior Tax Law Specialist praised the success of the program for having started a project to "purge from the rolls of exemption alleged propagandists, extremists and such other movements whose ideals and opinions did not conform to those in America's mainstream." So much for democracy. In a footnote, Lehrfeld admitted, "The use of the terms 'extremist,' 'right-wing,' 'left-wing,' etc. is for rhetorical purposes only and does not represent a legally appropriate characterization of organizational ideology."

The memo outlined the criteria

established by Chief Counsel Rogovin to be used in deciding which organizations were to be targeted. In general, if the "ideological organization" made "substantial use of particularly inflammatory and disparaging terms" or dealt with matters which "engenders partisan controversy and strong emotional feelings," or made "extensive use of the mass communications media and barnstorming tours, particularly for numerous short communications often resembling a political or advertising campaign having a high propensity for puffing and exaggeration rather than full and fair exposition," then it could find itself under IRS scrutiny.

After civil or criminal action would be taken against an ideological organization, they were not off the hook. The memo advised that the groups be "examined in three, four or five years or should be watched closely."

Finally, the memo suggested the creation of a "public information" file on ideological organizations. The memo stated, "The division should subscribe to at least one West Coast paper, one Southern paper, the *New York Times*, and the *Wall Street Journal*. Presumably, the individual tax law specialists will garner articles and ads from the three Washington papers and from those of the surrounding areas."

ADL Spying Targets Anti-war Movement

The Anti-Defamation League (ADL) is playing an aggressive role in support of the Anglo-American war effort against Iraq by targeting persons and organizations opposed to the war for police state-style repression.

The ADL has provided the CIA and FBI the excuse for opening a 1990s "Anti-War Suspects File," similar to the Vietnam-era Cointel-

pro operation, by demanding an investigation of "potential terrorists" and "anti-Semitic" organizations, using the ploy of concern for U.S. national security or civil rights.

The tactic includes the use of agents provocateurs, including ADL-financed "counterterrorism" specialists, who are assigned to whip up, largely through media interviews, hysteria over the threat of

breast milk. Experimental studies indicate that the negative effects on development which have been seen in different animal species may be caused by: preconception exposure to cannabis with damage to the germ cells (sperm and egg);

regular marijuana consumption is more widely distributed among the total number of consumers. Epidemiological studies indicate that the abuse potential of cannabis (its capacity to induce daily intoxication) may be nine times greater than that

10 INVESTIGATIVE LEADS

Iraqi terrorism in the United States. The use of paid ADL operatives infiltrated into neo-Nazi and right-wing sects, which are controlled by the intelligence community, to spout anti-Jewish and isolationist propaganda, is also part of the ADL's repertoire of dirty tricks.

FBI Director William Sessions has announced that his agents are on the search for terrorists, although he admits that the possibility of a terrorist incident in this country is "low." Arab-American groups are already charging that FBI activity is harassment.

Who Is John Rees?

John Rees of the Makdon Institute is one such agent who has surfaced as a so-called terrorism expert with a Jan. 22 "Counterterrorism" white paper that is making the rounds of the intelligence, law enforcement, and business communities. The theme of the white paper is that Saddam Hussein, who plans to make America "swim in its own blood," probably has a terrorist in your backyard. The report points out that numerous terrorist groups, including Abu Nidal, have "had infrastructures in the United States and Canada for years." The report targets numerous Palestinian groups based in the U.S., as well as the Nation of Islam, led by Minister Louis Farrakhan, as potential terrorists or terrorist sympathizers who should be targeted for repression.

Besides receiving monies from the ADL, the Makdon Institute gets funding from the Allegheny Foundation and the Carthage Foundation. Both are creatures of Richard Mellon Scaife, a neo-conservative philanthropist who was a major funding conduit for the "public diplomacy" apparatus exposed during the Iran-Contra scandal.

The Makdon Institute's president is Lawrence Sternfield, identified in their brochures as a retired "senior officer of the Central Intelligence Agency." Sternfield was one of the

late William Casey's right-hand men and former CIA station chief in Mexico. Their advisory board includes Raymond Wannall, former number two at the FBI, and British intelligence operative Robert "The Spike" Moss.

Since the late 1960s, the British-born Rees has been a professional informant for U.S. intelligence agencies. Rees was partly to blame for the embarrassing exposé of the FBI's illegal targeting of the Committee in Solidarity with the People of El Salvador (CISPES). The *Boston Globe* reported in March 1988 that Rees operated through private right-wing groups to obtain intelligence later used to justify the FBI's illegal surveillance of CISPES.

ADL Has Long History of Spying

According to documents obtained by IL through the the Freedom of Information Act (FOIA), the ADL is a regular "intelligence source" to the FBI. During the Vietnam War era, the ADL spied on the anti-war movement and civil rights groups. An ADL research and evaluation report dated Oct. 22, 1968 entitled "The Meaning of the SNCC-Black Panther Split," co-authored by then-ADL members Carl Gershman and Jerome Bakst, was prepared for J. Edgar Hoover and conducted through the Los Angeles office of the FBI. Today, Carl Gershman is a member of the Bush administration and serves as the head of the National Endowment for Democracy, the public arm of the Project Democracy network identified as a "secret, parallel government" in the Iran-Contra scandal.

A March 18, 1985 internal FBI memo from the Chicago office reveals that the ADL has continued its spying and provocateur activities into the 1980s. The memo reports a meeting between an ADL representative—the name is deleted—and a Chicago special agent. "The purpose of the meeting," reads the

memo, "was to . . . establish a liaison as well as a line of communication so as to receive any allegations of civil rights matters from the ADL." The memo continues, the "ADL is an organization that has conducted extensive information gathering on certain hate groups in America such as the Ku Klux Klan (KKK), neo-Nazi organizations, the Aranian nations [sic], Posse Comitatus, the Lewis Farakan group [sic] and numerous other related groups in America."

The "numerous other" groups include the left wing of the political spectrum, and "progressive groups" have refused to challenge the ADL for fear of being labeled anti-Semitic. During the mid-1980s, the Washington office of the Fact-Finding Division of the ADL, in cooperation with its New York City headquarters, spied on groups critical of the Reagan administration. A by-product of the ADL's spying was Emory University Prof. Harvey Klehr's 1988 book, *Far Left of Center: The American Radical Left Today*. The book is an attack on the Committee in Solidarity with the People of El Salvador; Clergy and Laity Concerned; Mobilization for Survival; National Lawyers Guild; The Rainbow Coalition; and the Institute for Policy Studies, among others. It was written under a grant from the ADL.

ADL in Bed with Drug Lobby

The ADL is also receiving help from Chip Berlet, a principal with Political Research Associates of Boston, in disrupting the work of anti-war activists by circulating a memo aimed at dividing the broad-based movement, according to an article by Ross Gelbspan in the Jan. 22 *Boston Globe*. The article highlights the role of the "Lyndon LaRouche organization" in anti-war activities across the country and raises the canard of concern about "anti-Semitism" infiltrating the anti-war movement. Gelbspan, who seems to have lost his civil liberties creden-

IL Editorial

PE/MP/LR-09

The Lesson of the Rodney King Affair: Time To Defeat the Bush League Mentality

In late February, President George Bush and Attorney General Richard Thornburgh hosted a meeting in Washington, D.C. of the nation's top law enforcement officials. It was right after the Gulf war had ended, and it was just days before the unfortunate beating incident involving Rodney King and a group of Los Angeles Police Department officers.

The message delivered by the President and the nation's chief law enforcement officer was as blunt as it was hypocritical: Bring "Operation Desert Storm" back home to the streets of America by getting tough with criminals. President Bush repeated that same message a week later when he addressed a nationwide TV audience and a joint session of Congress.

Los Angeles Police Chief Daryl Gates—who is now the target of a massive campaign coming from both the liberal left and from the Justice Department/FBI—was sitting in the audience when President Bush and Attorney General Thornburgh issued their marching orders to America's law enforcement community.

We do not know if Chief Gates passed the Bush-Thornburgh word on to his 8,000 LAPD officers. It didn't have to be that explicit. The mood in the country in the wake of the apparent military victory against Iraq was, to put it mildly, a manic

euphoria—the kind of mentality that one encounters among English football fans. It was "Bush league" all the way.

It was that mentality, if not explicitly the image of the President of the United States urging the unbridled and unrestrained use of force, that was behind the Rodney King beating. The King beating was a George Bush pep rally. If anybody is to be blamed for the unchecked use of brutal force against a not-so-innocent victim, let's put the blame where it belongs—at the top. The King incident was a response to the spirit—if not the letter—of the message President Bush sought to convey to the American people.

The unsettling aftermath of the Gulf war—the decimation of an entire country and the failure to move the regional peace process forward one inch—ought to serve as a good reminder that winning the peace is a far greater challenge than simply winning the war by the overwhelming use of force. It is a good analogy to the present situation facing law enforcement in America. It's an especially painful analogy because at the present time, the preponderance of force does not lie with law enforcement. It lies with the dope peddlers, the street gangs, etc.

We do not pretend to know the full details of what happened to Rodney King. The home video images of the beating clearly do not even begin

to tell the whole story, which began with an hour-long high-speed chase, during the course of which the pursuing officers learned that they were chasing a convicted felon who was out on parole.

What we do know is that the King incident and the "Bush league mentality" that it reflected is the kiss of death for American law enforcement.

The Rodney King beating was an incident waiting to happen. The media was already primed to launch an out-of-proportion propaganda drive against the LAPD, against Chief Gates and against local police departments all over the country.

Not since the urban riots of the late 1960s did the national media jump in with such enthusiasm to rip apart the very fabric of U.S. law enforcement. Unless a serious effort is launched to redress the underlying crisis facing America's police departments, the Rodney King affair could mushroom into a repeat of the urban violence that rocked the country 23 years ago. Momentum is already building at the Justice De-

Editorial: Crisis	1
Editorial: Supreme Court	3
CAN Dossier	4
Minnesota Pedophiles	5
IRS Worst Agency	5
ADL-IRS	8
Drug War Fraud	9

partment and the J. Edgar Hoover Building in Washington for a renewed push to establish some form of national police department to replace the traditional American system of community based law enforcement.

Urban riots and an FBI national gestapo are simply two sides of the same coin. The case of Rev. Al Sharpton underscores this point. As soon as the media hype began to build against LAPD Chief Gates, Sharpton grabbed his bullhorn and flew out to the West Coast to lead a series of highly publicized, provocative rallies calling for the chief's ouster.

Senior federal law enforcement officials have told *IL* that they have first-hand knowledge that Sharpton, the Brooklyn-based *agent provocateur*, has been on the FBI pad for decades. "He is the FBI," said one source who dealt with Sharpton in New York City in the 1970s.

A 25-Year Crisis

Sharpton's reported links to the Bureau are symptomatic of the deep crisis facing American law enforcement. The crisis has been unraveling for the past 25 years. It will be impossible to reverse the crisis unless it is faced squarely—with all the unpleasant truth out in the open.

The crisis of America's police establishment began with the creation of the Law Enforcement Assistance Administration (LEAA) during the

1960s. Up until the launching of the LEAA, local police had a pretty clear concept of how to carry out their job.

They didn't need doctorates in sociology and group dynamics. They didn't need courses in "defensible space" and other such nonsense that was designed to combat communist guerrillas in faraway jungles. And they certainly didn't need to even consider the idea of drug legalization as a "crime prevention" technique.

Law enforcement was community based. Police lived in the neighborhoods they patrolled. They had close working ties to the community. Their primary mission was crime prevention, which was a joint effort of the residents and the "cops on the beat."

Police were relatively well paid and well trained. Before the age of city budget deficits, there were enough police out on the streets at all times to effectively carry out the crime prevention mission.

Police intelligence was an integral part of the crime prevention mission. Good intelligence files were considered an important instrument in preventing crimes before they occurred.

There were always problems, of course, but the system generally functioned well. And local police departments zealously guarded their jurisdiction, wary of the over-arching danger of too much power in the hands of the "Feds." American law enforcement historically rejected the idea of a national police force as something out of the pages of Czarist Russia or Hitler's Germany.

The LEAA ushered in an era of "reform," in which counterinsurgency techniques that were borrowed from the ongoing American misadventure in Vietnam, were applied to the American urban setting. Relations between the police and the community began to break down at the very moment that the New Left and black nationalist insurgency began marching through the

local political institutions, fueling the strains between the police and the neighborhoods they were serving.

In the aftermath of the riots of the late 1960s and the simultaneous upsurges of the New Left, local police departments came under massive attack. Hardly a big city department in the country escaped the wrath of the National Lawyers Guild or the ACLU—which sought to shut down police intelligence units and send millions of files through the shredders.

Deprived of adequate intelligence functions, police became more dependent on federal agencies and even on private organizations. What's worse, police also became susceptible to short-cutting their investigative efforts, resorting to ever greater dependency on an army of paid informants and infiltrators, who often found that they could pursue their criminal careers under the protection of the FBI and other agencies. Institutionalized prosecutorial abuses became the norm rather than the exception. The very attack on competent local police intelligence work led to the proliferation of federally sponsored crime syndicates in the form of the Federal Witness Protection Program (FWPP) and other "liberal" crime-fighting techniques.

Carter Era of Drug Proliferation

The next watershed in the breakdown crisis for American law enforcement came in the 1970s—especially during the Carter years—when the cities were flooded with drugs and when the White House itself was occupied by advocates of "drug decriminalization."

At the precise moment that police-community ties were breaking down, the dope trade began to take over the streets of urban America. By the end of the 1970s, with interest rates soaring over 20%, every major city in the United States began to come under enormous pressure to cut back, to practice "fiscal

Investigative Leads published 12 times annually by:

Executive Intelligence Review, P.O. Box 17390, Washington, D.C. 200 41-0390, © 1991, EIRNS.

Editor: Jeffrey Steinberg

Subscription by mail for the U.S.: 1 year—\$75. To arrange for private special project reports, mail inquiry to Investigative Leads, P.O. Box 17390, Washington, D.C. 20041-0390 or call (703) 777-9451. Affiliates: *Spuren und Motive*, Dotzheimer Str. 161, 6200 Wiesbaden, BRD. Tel: (06121) 449031.

To subscribe to *Investigative Leads*, call (703) 777-9451 or mail to *Investigative Leads*, P.O. Box 17390, Washington, D.C. 20041-0390; \$75 for 12 issues annually.

conservatism." When the bankers moved in to slash the city budgets, beginning with New York City's infamous "Big MAC," the big ticket items that felt the axe the worst were hospitals, schools, and the police.

Translated into concretes, the budget-slashing sprees meant lower wages, less training and smaller police forces to combat a drug epidemic that was just beginning to take off. With the lowering of wages and benefits for police, the quality of law enforcement personnel lawfully began to slide as well.

By the time President Reagan took office, the situation had already reached crisis proportions. The downward slide accelerated during the course of the 1980s. Crack hit the streets of America during the Christmas season of 1985, triggering a massive revival of urban street gangs, which were now armed to the teeth through the proceeds of their drug dealing.

The unchecked collapse of city budgets meant that, while the gangs were growing in numbers and firepower, the police forces were shrinking.

President Bush, as *IL* has been reporting for the past two years, has done more than any President, with the possible exception of Jimmy Carter, to advance the cause of drug legalization in America. While talking tough, President Bush has all but abandoned the War on Drugs that was barely launched under the Reagan presidency. Drugs are more prevalent in the U.S. today than at any time in our nation's history. Domestic marijuana production alone brought in \$50 billion in black market revenues in FY 1990.

It is in this context that President Bush's call for "Operation Urban Storm" is hypocrisy of the highest order. To incite America's cops to simply go out and "kick butt" is nothing but a setup.

The whole system has to be overhauled—not in favor of brand new "21st century" slick police state

methods that read like a chapter from *A Clockwork Orange* or *Brave New World*. And certainly not in favor of a broader role for the FBI.

We have to get back to basics: More police on the streets, better training, better pay scales so that quality recruits will be brought into

police work. We must responsibly rebuild the police intelligence functions. We must go back to the mission of crime prevention—starting with the epidemic of drugs on the streets.

Anything less than that is pure Bush league.

IL Editorial

Supreme Court Adds To The Problem

The crisis in our criminal justice system was further illuminated by a Supreme Court ruling handed down on March 26. The bitterly divided Court presented a decision in the case of *Arizona v. Fulminante*, which established, for the first time in American law, the principle that a coerced confession is legitimate evidence in a criminal trial.

The case involved a murder conviction secured on the basis of a confession made by the defendant to a fellow prisoner who was an FBI informant. The Arizona Supreme Court ruled that the confession was coerced, and the trial thus invalid, since the defendant had been threatened by prisoners, and the informant had offered "protection" in return for the confession. The Supreme Court majority affirmed this judgment, but then opened a Pandora's box by asserting that the confession could have been subjected to a "harmless error" test, to determine whether the verdict would have been the same with or without the illegally obtained confession. The harmless error concept has been used with increasing frequency since about 1967, to whittle away at the Warren Court protections against overzealous prosecutorial techniques.

Justice **Byron White** delivered a dissent, taking the unusual and demonstrative step of making his remarks from the bench, and pointed

to the unbroken line of cases which have established that "the use of coerced confessions, 'whether true or false,' is forbidden 'because the methods used to extract them offend an underlying principle in the enforcement of our criminal law: that ours is an accusatorial and not an inquisitorial system'" and which also support "the deep-rooted feeling that the police must obey the law while enforcing the law; that in the end life and liberty can be as much endangered from illegal methods used to convict those thought to be criminals as from the actual criminals themselves."

The message that is being sent to prosecutors by the Court's action is, "Get it right next time." This was underlined by Justice Anthony Kennedy, who agreed with Chief Justice William Rehnquist, that the confession should not have been considered coerced, even if it was improperly introduced. This is remarkable in light of the fact that the informant, Anthony Sarivola, is identified by the Court as a corrupted former police officer, who may have cooked up the entire story, and who was certainly involved in creating the threats used to pressure Fulminante. The Court says that "his overzealous approach to gathering information for which he would be paid by authorities was revealed by his admission that he had fabricated a tape recording in connection with an

4 INVESTIGATIVE LEADS

earlier, unrelated FBI investigation." It is no surprise to learn that "his eagerness to get in and stay in the Federal Witness Protection Program provided a motive for giving detailed information to authorities."

This Supreme Court decision, opening a wedge for ever greater

prosecutorial abuse and the use of police state techniques by police is a very dangerous development. It is another step toward a federal police force where the patrolman is replaced by the prosecutor. The Court's decision promises the citizen a spectacle of vengeance, retri-

bution, and even televised executions, but it eliminates the deterrence of the uniform on the street. It makes the slimy informant the king of the courtroom—and that is what a police state is all about.

Cult Awareness Network: Thought Police of the Nineties

A privately funded "thought police" apparatus is operating throughout the United States, attempting to shape the policies of law enforcement and prosecutors towards the burgeoning Satanic-related crime pattern. As *IL* has warned in recent issues, this network is actually involved in the coverup of the real problem and instead is targeting groups and individuals who stand in the way of their power moves.

The thought gestapo in the United States is led by the so-called **Cult Awareness Network (CAN)** and the **American Family Foundation (AFF)**, two organizations with interlocking advisers and associates. According to documents from the Internal Revenue Service (IRS), numerous prominent Anglo-American Wall Street families are, through their foundations, the major financiers of the AFF, including the **Scaife Family Foundation**, headed by **Richard Mellon Scaife**, a personal friend of the late FBI director **J. Edgar Hoover**, and the **Pew Foundation**. As the gestapo methods of these organizations are described below, it should be of no surprise to learn that the Pew family was a secret funder of pro-Hitler organizations in the United States during the last Great Depression.

In recent years, large sums have been donated by the **Swig Foundation**, which is headed by **Anti-Defamation League (ADL) National Commissioner Melvin Swig**. Ac-

cording to our sources, CAN hides the names of its contributors by raising amounts of money just under the threshold requirement for reporting to the IRS.

Profile of a Gestapo

CAN/AFF is a network of psychiatrists and self-proclaimed "deprogrammers," whose ostensible purpose is to retrieve family members who have been brainwashed into joining cults. In reality, CAN/AFF's function is twofold: to retrieve family fortunes which have been donated to independent religious and political organizations that are not controlled by the Eastern Establishment; and to provide law enforcement officials with information and witnesses for prosecution of target organizations.

CAN recently announced the formation of "**The LaRouche Victims' Support Group**," whose spokesman is CAN director **Cynthia Kissler**. This group asks family members to monitor the political activities of their relatives, and "turn in" anybody caught giving financial support to the political movement associated with Lyndon LaRouche, to CAN's network of Nazi psychiatrists, deprogrammers, and law enforcement officials. Their aim is to psychologically break supporters of LaRouche, to brainwash them into thinking they were defrauded, and to turn them against their former political associates.

The Case of Helen Overington

Currently, Kissler is highlighting the case of **Helen Overington**, who has appeared on radio talk shows with her daughters Mary Rotz and Peggy Weller.

Helen Overington is a former financial and political supporter of the LaRouche movement. Her real story is told in bits and pieces of the truth, which have made their way into otherwise slanderous articles that have appeared over the past year. The truth is that her daughters opposed her political views, wanted her money, and called upon CAN's thought police to end her political association.

According to a May 1990 article in the *Sun Gazette* of Loudoun County, Virginia, Mrs. Overington was a charitable woman who had given hundreds of thousands of dollars to charitable, educational, and political causes. The *Washington Post* of May 21, 1990 reported that she donated "to more than 200 mostly conservative charities and causes." According to the same article, Mrs. Overington supported President Reagan's Strategic Defense Initiative, a policy that LaRouche had authored years earlier, about which, she said, "my children didn't want to hear."

In a January 1991 article in *Woman's Day*, Mrs. Overington revealed, "When I tried to talk politics with my children, they'd say, 'Oh, Mom, you really don't believe that stuff, do

you?' or 'Oh, reading all this culture again. most liberal 'Look, Mom, things. We ju

In that sar ington detail same conce clear energy LaRouche

"They wante ter, and so

The artic even after s by her daug attempt to g ciation with eral weeks eral law en her to "reth

What oc ington's da ginia Attorn put them in **Boland**, th for the ADL in touch wi ington fou house arr land, CAN and Virgin investigator her over half-truths until she f

Thugs and

The fe EIR's dos network of dirty o

Mira L employee Agency. LaRouch provided int for even brought b force. La with CAN

Rev. M presiden he "cour himself

you?' or 'Oh, Mom, you've been reading all that conservative literature again.' Especially Peggy, the most liberal. She finally told me, 'Look, Mom, we can't discuss these things. We just don't agree.' "

In that same article, Mrs. Overington detailed how she had the same concerns about drugs, nuclear energy, and other matters as LaRouche associates, and said, "They wanted to make the world better, and so did I."

The article further revealed that even after she had been confronted by her daughters and others in their attempt to get her to drop her association with LaRouche, it took several weeks and meetings with several law enforcement officials to get her to "rethink" the matter.

What occurred is that Mrs. Overington's daughters called the Virginia Attorney General's office, who put them in touch with **Mira Lansky Boland**, the LaRouche case officer for the ADL. Boland in turn put them in touch with CAN. Soon, Mrs. Overington found herself under virtual house arrest, with visits from Boland, CAN president **Mike Rokos**, and Virginia State Police special investigator C.D. Bryant, who worked her over with lies, slanders, and half-truths, like a prisoner of war, until she finally broke.

Thugs and Perverts

The following selections from *EIR*'s dossier on the CAN/AFF/ADL network gives the flavor of what kind of dirty operation they are running:

Mira Lansky Boland is a former employee of the Central Intelligence Agency. She is the ADL's "LaRouche expert," who has provided intelligence and counseling for every criminal and civil case brought by the "Get LaRouche" task force. Lansky Boland works closely with CAN.

Rev. Michael Rokos, the national president of CAN at the time that he "counseled" the Overingtons, is himself a fraud, a criminal, and a

pervert. In October 1990, news stories broke in the *Baltimore Sun* and elsewhere in the Washington, D.C. area, that Rokos had been arrested in July 1982 for soliciting sex with a Baltimore vice squad officer posing as a homosexual prostitute. According to an affidavit from arresting officer **Joseph G. Wyatt**, Rokos solicited him, saying, "I want you to tie me up, put clothespins on my nipples, and make me s—k your d—k." While hiding his criminal past, Rokos spoke before police and civic groups and on numerous radio shows slandering LaRouche. Rokos also fraudulently portrayed himself as the chaplain for the Maryland State Police, while in reality, he was one of several ministers who volunteered at one of the police barracks. After he was exposed, Rokos resigned as national president of CAN and from his position with the Maryland State Police.

C.D. Bryant, special agent for the Virginia State Police, spent over 20 years with the IRS and retired from its Criminal Investigative Division (CID). Documents obtained under the Freedom of Information Act and congressional testimony have shown that CID has taken part in the IRS's secret operations which collected intelligence files on political opponents and carried out investigations and indictments that were politically motivated.

Galen Kelley, head of security for CAN and their current national "LaRouche expert," is a "deprogrammer" who, according to court documents, has been convicted of assault and has had his pistol license revoked. Kelley has carried out "deprogrammings" with **Harlin Killstein** of the terrorist **Jewish Defense League**, whose associate **Mordechai Levy** was recently convicted of attempted murder in New York City. Levy publicly threatened the life of Lyndon LaRouche on several occasions. According to sources, Kelley has direct ties to the FBI and other federal agencies.

The Brainwashers

Giving this gestapo an air of respectability are the Nazi psychiatrists who are official advisers and collaborators of CAN/AFF:

Dr. L. Jolyon West received CAN's 1990 Leo J. Ryan Award. West was a pioneering member of the CIA's MK-Ultra Project, which was designed to spread the use of LSD and other mind-altering drugs among American youth in the 1950s and 1960s. West's research on brainwashing began with his stint in Air Force Intelligence during the Korean War. After the war, West ran studies of the effects of psychedelic drug use, at the University of Oklahoma. Drugs and Satanism promoter **Aldous Huxley** praised West in 1957 for his work on LSD, and a *New York Times* article of August 1977 revealed West's ties to the CIA. In the early 1970s, West proposed an experimental violence center, which was to include the work of psychiatrist **Frank Ervin**, a notorious racist who advocated the use of lobotomies for rioters in black ghettos of American cities.

Margaret Singer, an adviser to AFF, is the *grande dame* of CAN. Together with West, she ran a survival and torture resistance study for Air Force Intelligence and studied the Haight-Ashbury, San Francisco drug "culture." Her work is frequently cited by social fascists.

Dr. Robert Lifton is noted for his "groundbreaking" work on Nazi interrogation and torture techniques. He is the ADL's darling, and is often cited as an authority on mind manipulation. Lifton worked for military intelligence, and analyzed Korean brainwashing techniques by studying American POWs and Korean War veterans.

Canada and
Rates
America, W
ombia: 1 yr
35
America: 1
40.
Middle E
M 750, 3
remarks o
r countri
mo. \$14

I would like to subscribe to
Executive Intelligence Review for

☐ 1 year ☐ 6 months ☐ 3 months

I enclose \$_____ check or money order

juana.
ion occurs
onsumers,
distributed
al studies
apacity to

Minnesota AG Coverup of Pedophiles?

On March 19, Minnesota Attorney General "Skip" Humphrey appeared on KMSP-TV, Minneapolis in an attempt to intimidate financial supporters of political prisoner **Lyn-don LaRouche** in the state of Minnesota. Essentially, Humphrey called on family members or others who knew supporters of LaRouche's movement in Minnesota to "turn them in" to the state.

Humphrey had previously been defeated in a similar attempt at intimidation, when his efforts to seize bank accounts and bank records of political and legal defense organizations connected to LaRouche were turned down by judges in Minnesota, Pennsylvania, and Virginia. In each of these court cases, documents showed that Humphrey's office brazenly used misrepresentation, bad faith, and twisted constructions of the law to violate due process.

ADL Involved

Humphrey's witchhunt was launched in connection with the so-called **Anti-Defamation League**, which claims credit for most attacks on LaRouche, and has been found by the **Federal Election Commission** to be using tax-exempt contributions illegally to "get LaRouche." Prominent figures in the ADL's national and local leadership are financial contributors to Humphrey, while others are influential with KMSP-TV.

Now another motive for Humphrey's actions may have emerged. LaRouche's movement in the Midwest has generated wide controversy by exposing and attacking interconnected cases of pedophilia—sexual child abuse—and giving assistance to those who are tracing these "child abuse rings" to Satanist practices among upper levels of this country's financial and political establishment.

Smothering the Investigation

During 1984-85, many will recall that, according to published reports, it was Skip Humphrey who orchestrated the shutting down of the investigations of child abuse, child pornography, and Satanism, in Scott County, Minn.

In 1983-84, Scott County prosecutor **Kathleen Morris** had investigated and begun to prosecute a group of child molesters, some of whom, according to the testimony of the child victims, were practicing Satanic rituals on the children, while others were filming the children in sex acts. Law enforcement and independent medical experts found the testimony, in the main, to be credible.

As Morris's investigations and prosecutions proceeded, Humphrey's political network began to publicly discredit her, ultimately forcing her to drop 21 indictments and to turn over responsibility for the cases to Humphrey himself.

Then, at the behest of several of the formerly accused, Humphrey and the Governor set up a panel to hear testimony of malfeasance against Morris! Humphrey appointed lawyer **Kelton Gage** of **Blethen, Gage, and Krause**, as the so-called "independent counsel" to present the evidence against Morris. Gage's firm represents **Archer Daniels Midland**, whose CEO, **Dwayne Andreas**, is Skip Hum-

phrey's political and financial godfather and a mega-funder of the ADL. Morris's investigation, which she was forced to drop, could have led to prominent individuals. Humphrey never prosecuted the cases.

NAMBLA Hails Humphrey

In January 1985, the *North American Man-Boy Love Association Bulletin* celebrated the fact that Morris was forced to withdraw from the cases and the decision to prosecute was given to Skip Humphrey. NAMBLA is a nationwide association of pedophiles who advocate and promote sex between men and young boys.

Humphrey finally, in 1986, set up an Attorney General's Task Force which narrowly focused on family child abuse, throwing to the winds the investigation of pornography, Satanism, and organized sex with children. Chairing Humphrey's blue ribbon panel was **Geri Joseph**, ADL national commissioner and wife of the group's national chairman.

Was there a child pornography ring in Scott County? Would Kathleen Morris's investigation have led to the political and financial establishment, to supporters of then-Vice President Walter Mondale, to the ADL?

If you have any information, please contact: *The New Federalist*, P.O. Box 889, Leesburg, Va. 22075.

IRS: Worst Police State Agency

When U.S. Attorney **Henry Hudson** of Alexandria, Va. was ordered to frame up political economist **Lyn-don LaRouche** and six of his associates in 1986—with a federal grand jury impaneled in November that year to start the frameup—he brought in the best the federal bureaucracy had to do the job: the

Criminal Investigation Division of the Internal Revenue Service and the Tax Division of the Department of Justice. Thus, **Kent Robinson** was imported to Hudson's office to operate as Assistant U.S. Attorney (it was Robinson who prosecuted LaRouche and his associates in 1988 in the Alexandria fed-

eral rail
Lucey o
vice's C
Alexand
principa

The
Division
enforce
forfeitu
availabl
ment b
challeng
for pol
Lawren
hearing
dicial
LaRouc
the Fif
avoid s
whethe
by reve
investi
State F
ant. Br
IRS, w
the two
Brookly

Lango

Such
law is
Violatin
vated p
line to
person
IRS C
were b
the tar
gation,
missio
Larry
ficial m
ruption

In a
1990,
sumer
commi
duct b
Intern
that "A
Crimin
Lango
Pagan
1986 a
results

the IRS. And Lawrence Ward, chief of the Internal Revenue Service's CID, was dispatched as the IRS's "chief LaRouche" team's special investigator.

The IRS Criminal Investigation Division has broad investigative and enforcement powers of seizure and forfeiture of assets, powers not available to any other law enforcement body and susceptible to undue abuse and manipulation for political purposes. So, when Lawrence Lucey took the stand in court in the state of Virginia's judicial railroad of associates of LaRouche, he was forced to take the Fifth Amendment in order to avoid self-incrimination concerning whether he had violated federal law by revealing tax information to state investigators—notably, Virginia State Police Investigator C.D. Bryant Bryant, a 25-year veteran of the IRS, was once Lucey's boss when he worked at the IRS office in Brooklyn, N.Y.

Langone and Pagani

Such arrogant disregard for the law is not an isolated phenomenon. Violating the law in a politically motivated prosecution soon crosses the line to become violating the law for personal gain. While Lucey and the IRS Criminal Investigation Division were busy concocting the crime for the target of this task force investigation, the head of CID under Commissioner (and George Bush crony) Larry Gibbs was flagrant in his official misconduct and personal corruption.

In a report published in October 1990, a House Commerce, Consumer and Monetary Affairs Subcommittee investigation of "Misconduct by Senior Managers in the Internal Revenue Service" found that "Assistant Commissioner for Criminal Investigation, Anthony Langone, and his Deputy, Joseph Pagani, abused travel between 1986 and 1988 and, based on the results of a belated IRS Internal Se-

curity investigation, allegedly stole Government property when they left the IRS in 1988."

From the moment Langone and Pagani arrived in Washington, D.C. from their previous postings in the Southeastern District of the IRS, they used the opportunity of sanctioned business travel—and government funds—to make extended stopovers in Atlanta in order to, as the subcommittee politely notes, "maintain a relationship with a female friend." At least three reports were made to IRS Inspection about this abuse of travel privileges between March 1986 and July 1987, when Langone and Pagani were officially advised to handle their personal travel more "appropriately." By that time, Langone's girlfriend had been posted to IRS in Washington, D.C.

Big Plans

Also by that time, Langone and Pagani were making big plans for their retirement. According to the subcommittee investigation:

"In 1987, Messrs. Langone and Pagani were planning to go into a post-retirement business partnership with **Robert Roche**, the Newark CID Chief; **Timmie Millis**, the Dallas CID Chief; and **Ronald Saranow**, the Los Angeles CID Chief. Their plan was to operate a financial investigation firm which would investigate certain types of financial dealings on behalf of clients. The firm would maintain an association with the partners located in various locations, and could possibly draw on retired CID agents for the manpower needed to do the investigative work. All of the partners planned to retire in early 1988."

To that end, Langone and Pagani initiated a campaign, using IRS resources, to get their names to the public before their retirement; had the CID training center in Glynnco, Ga. reproduce, box, and ship training materials to Washington, D.C.; and, upon their retirement, removed

CID training materials for use in their business.

The subcommittee report notes that the IRS Report of Investigation was forwarded to the Department of Justice in October 1988 for Langone, and January 1989 for Pagani. By all indications, the Justice Department declined prosecution, and Langone, Pagani and Associates went into business.

An IRS 'Proprietary'?

According to information received by IL, the business partnership goes by the name **Financial Investigative Services Group**, with Langone, Pagani and Associates operating out of Arlington, Va. Former Los Angeles CID Chief Ronald Saranow, himself a major focus of the Congressional subcommittee's investigation of misconduct, runs the L.A. office with **Howard Emirhanian**, a former CID Branch Chief in Los Angeles.

One source, who wishes to remain anonymous, reports that two years ago, a grand jury investigation was opened into charges that Robert Roche, while still Newark CID chief, used his IRS summons authority to get information for one of Ronald Saranow's clients, Vons Grocery Store chain, in California. Vons has been instrumental in a campaign of harassment and intimidation of LaRouche associates in California. According to this same source, no indictments were handed down.

Given the nature of the business and the individuals involved, the question is raised: Is Financial Investigative Services Group an IRS proprietary, much like CIA front companies, providing plausible deniability to even more egregious, extra-legal investigations of the political enemies of the Anglo-American establishment?

ADL-IRS Collaborate on 'Enemies Lists'

The Anti-Defamation League of B'nai B'rith (ADL) has long used its influence in government to target and prosecute its political enemies while cloaking its own ties to organized crime, illegal money laundering, and the international drug cartel.

According to sources and documents in the possession of *IL*, the ADL has used its influence to help establish a gestapo within the FBI and the IRS—a gestapo which has targeted political opponents for harassment and subsequent legal action.

Official documents released under Freedom of Information Act (FOIA) guidelines prove that the ADL has for decades served as a domestic intelligence-gathering arm of the FBI, spying on both "left" and "right" wing political organizations.

A memorandum from Director, FBI (J. Edgar Hoover) to SAC, New York, dated April 16, 1969, states: "You are authorized to renew *discreetly* a one-year subscription to 'The ADL Bulletin' for the use of the Bureau. Continue to mark all issues of the paper to the attention of the Research-Satellite Section, Domestic Intelligence Division" (emphasis added). The memo cites that the renewal was requested by, among others, the Nationalities Intelligence Section, the Racial Intelligence Section, Domestic Intelligence Division, the Civil Rights Section, and the General Investigative Division.

According to David Burnham, the author of *A Law Unto Itself*, a recent book exposing IRS corruption and abuses, political organizations with an axe to grind often develop the "hit-list" for IRS investigations.

ADL and the Kennedy Administration

Early in the Kennedy administra-

tion, the IRS established a special unit to audit "Political Action Organizations" of both the "left" and "right."

By July 1963, President Kennedy had given his official endorsement of the program in a phone call to IRS Commissioner Mortimer Caplin. To screen themselves from public outcry, the program name was changed to "Audit of Ideological Exempt Organizations." This new audit program was under the direction of Mitchell Rogovin, who revealed in an IRS memorandum to the Regional Commissioners dated Aug. 27, 1963 the real purpose of the audit: "These organizations often referred to by the press as right or left wing have become a formidable force in society today." Rogovin demanded that the audit include content analysis of "their philosophies. Not only does this involve an analysis of books and pamphlets published by the organization, but it also means the monitoring of telecasts and broadcasts and the examination of hundreds and in some cases thousands of speeches."

Rogovin later became special CIA counsel and was the recipient of its Distinguished Intelligence medal for covering up CIA abuses.

Investigations were centrally coordinated by the Chief Counsel, at that time Sheldon S. Cohen. A few years later, Cohen rose to head the IRS, when the ADL consolidated its influence with the Service. Rogovin soon moved into the Chief Counsel's office, while Cohen became IRS Commissioner, as the project reached full steam and target organizations began to lose their exempt status.

Between 1962 and 1967, the ADL published a series of books and studies on the "extreme right" and the John Birch Society. In 1964, a *New York Times* editorial lauded the ADL's "Danger on the Right" as "the most comprehensive study . . . of

what these groups stand for, who leads them, how they operate, and where they get their money" (emphasis added).

By 1969, when Richard Nixon was President, the IRS was turning into a full-fledged gestapo; it created the **Spécial Services Group** (later renamed the Special Services Staff—SSS), a semi-secret unit which compiled 11,458 files on 8,585 persons and 2,873 organizations. Targets ranged from Nixon's personal enemies to "radical extremists" on the far left; the whole thing was part of the Cointelpro project.

One reason given for SSS's creation was the activities of the **Student Non-Violent Coordinating Committee** and the **Black Panther Party**. According to FOIA material, the ADL, only a few months before, had acted as provocateur when it sent to FBI Director Hoover's office a "Research and Evaluation Report" authored by the ADL's Jerome Bakst and Carl Gershman, labeling those same groups as dangerous terrorists.

The ADL's material was no doubt being received by SSS. According to David Wise, author of *The American Police State*, "The SSS had close liaison with the FBI, regularly receiving Cointelpro reports. . . . Before it was disbanded in 1973, SSS had received more than 11,000 FBI reports."

The ADL continued its provocations throughout the Vietnam War period, by spying on the left and right. The FBI received several extensive ADL reports—including "Danger on the Left," a detailed profile of "far-left" organizations, individuals, and newspapers in the U.S. who had linked the anti-war movement to the issue of the rights of Palestinian nationals.

ADL collaboration with the IRS has never stopped. In March 1982,

the ADL filed an *amicus curiae* brief in the U.S. Court of Appeals in Washington, D.C. supporting the IRS in its attempt to deny tax-exempt status to the right-wing **National Alliance**.

Top IRS Officers and the ADL

IRS Commissioner Mortimer Caplin, who created the first IRS unit to go after political opponents, was a close friend of President Kennedy's, and an activist in the Washington, D.C. chapter of B'nai B'rith. Before the unit was created, Kennedy received the ADL's Democratic Legacy Award on nationwide TV. Ironically, the award was given the President for his role in upholding civil rights and democracy.

Sheldon S. Cohen, who served as Commissioner from 1965-69, when the Ideological Exempt Organizations unit expanded its intelligence and legal actions against political opponents, was active with the ADL. FOIA documents reveal that Cohen was a member of an ADL lawyers' group which met with Deputy Attorney General **Richard Kleindienst** in December 1970.

ADL, IRS Go After LaRouche

In March 1984, NBC's "First Camera" program aired an "exposé" on Lyndon LaRouche. ADL Fact Finding Division head **Irwin Suall** appeared to retail wild slanders. The broadcast included false allegations that money from a tax-exempt organization with which LaRouche was associated was illegally used in political campaigns, and that other incomes were improperly reported for tax purposes. A so-called "defector"—a disgruntled former LaRouche supporter—was paraded before the cameras to assert that any serious investigation by the IRS would lead to criminal indictments and the closing down of the LaRouche organization.

At the time of the NBC broadcast, **Frederick T. Goldberg, Jr.** became IRS Chief Counsel; an IRS investi-

gation of LaRouche soon got under way. Individuals from IRS CID were assigned to the "Get LaRouche" interagency task force that succeeded in getting indictments of LaRouche and many associates in late 1986 and early 1987. Legal documents reveal that the ADL worked closely with federal and state agencies to prepare indictments and help in the prosecution.

FOIA documents from the IRS also reveal that IRS received an ADL report from **Mira Lansky Boland**, an associate of Suall's, on the tax conviction of LaRouche.

In March 1986, Goldberg became

a partner in the law firm of **Skadden Arps**, whose partner **Irving Shapiro** had been a major funder and collaborator of the ADL and its top leadership. Several partners in the firm are ADL activists, including **Kenneth Bialkin**, the former ADL National Chairman.

While in private practice, Goldberg collaborated with former IRS Commissioner **Mortimer Caplin**, who initiated the political adversary unit in the IRS, on a tax shelter study. In June 1989, Goldberg left the firm to return to the IRS as Commissioner.

Bush Drug War A Big Fraud

The Bush administration has released two annual reports on the so-called war on drugs, which represent a total whitewash of the true state of affairs.

The first report, dated February 1991, is the third annual **National Drug Control Strategy**, a document signed by President Bush and prepared by the White House drug czar. The report is a shameless collection of doctored statistics which proclaim virtual "victory" in a war on drugs that has been a joke—even by Washington standards. While claiming that the past two years saw sharp cutbacks in drug use by Americans—surpassing all goals set out in previous Drug Control Strategy reports—the White House document failed to provide any data whatsoever on the two crucial indicators: total availability of drugs and levels of domestic marijuana production. In both these critical categories, the White House claimed that "data were not yet available."

No Data?

On Feb. 8, *EIR* published a cover story titled, "Where are the sorties against U.S. pot fields, Mr. Bush?" which documented the fact that in 1989, marijuana was the number

one cash crop in America, bringing in over \$50 billion in profits to Dope, Inc. In 37 states, marijuana brought in more cash than the leading legitimate crops.

Despite the fact that these statistics were compiled from public sources, the Bush White House report claimed that no data were available. Had the pot statistics been published, the fraud of the Bush administration's war on drugs would have been exposed for all to see.

Another lie peddled in the new report is that hospital emergency room incidents of drug overdoses and drug-related injuries and deaths are down 18% since 1989. According to several federal drug enforcement professionals interviewed by this magazine, *the only decline is in the reporting procedures*. The **Drug Abuse Warning Network (DAWN)**, a federally funded program for accumulating data from hospital emergency rooms, has experienced a 30% fall-off in personnel and reporting rates in the past year, due to massive budget cutbacks. The system is in such a shambles that the government has decided to shift over from a system of reporting every instance of drug-related emergency room

the ADL filed an *amicus curiae* brief in the U.S. Court of Appeals in Washington, D.C. supporting the IRS in its attempt to deny tax-exempt status to the right-wing **National Alliance**.

Top IRS Officers and the ADL

IRS Commissioner Mortimer Caplin, who created the first IRS unit to go after political opponents, was a close friend of President Kennedy's, and an activist in the Washington, D.C. chapter of B'nai B'rith. Before the unit was created, Kennedy received the ADL's Democratic Legacy Award on nationwide TV. Ironically, the award was given the President for his role in upholding civil rights and democracy.

Sheldon S. Cohen, who served as Commissioner from 1965-69, when the Ideological Exempt Organizations unit expanded its intelligence and legal actions against political opponents, was active with the ADL. FOIA documents reveal that Cohen was a member of an ADL lawyers' group which met with Deputy Attorney General **Richard Kleindienst** in December 1970.

ADL, IRS Go After LaRouche

In March 1984, NBC's "First Camera" program aired an "exposé" on Lyndon LaRouche. ADL Fact Finding Division head **Irwin Suall** appeared to retail wild slanders. The broadcast included false allegations that money from a tax-exempt organization with which LaRouche was associated was illegally used in political campaigns, and that other incomes were improperly reported for tax purposes. A so-called "defector"—a disgruntled former LaRouche supporter—was paraded before the cameras to assert that any serious investigation by the IRS would lead to criminal indictments and the closing down of the LaRouche organization.

At the time of the NBC broadcast, **Frederick T. Goldberg, Jr.** became IRS Chief Counsel; an IRS investi-

gation of LaRouche soon got under way. Individuals from IRS CID were assigned to the "Get LaRouche" interagency task force that succeeded in getting indictments of LaRouche and many associates in late 1986 and early 1987. Legal documents reveal that the ADL worked closely with federal and state agencies to prepare indictments and help in the prosecution.

FOIA documents from the IRS also reveal that IRS received an ADL report from **Mira Lansky Boland**, an associate of Suall's, on the tax conviction of LaRouche.

In March 1986, Goldberg became

a partner in the law firm of **Skadden Arps**, whose partner **Irving Shapiro** had been a major funder and collaborator of the ADL and its top leadership. Several partners in the firm are ADL activists, including **Kenneth Bialkin**, the former ADL National Chairman.

While in private practice, Goldberg collaborated with former IRS Commissioner **Mortimer Caplin**, who initiated the political adversary unit in the IRS, on a tax shelter study. In June 1989, Goldberg left the firm to return to the IRS as Commissioner.

Bush Drug War A Big Fraud

The Bush administration has released two annual reports on the so-called war on drugs, which represent a total whitewash of the true state of affairs.

The first report, dated February 1991, is the third annual **National Drug Control Strategy**, a document signed by President Bush and prepared by the White House drug czar. The report is a shameless collection of doctored statistics which proclaim virtual "victory" in a war on drugs that has been a joke—even by Washington standards. While claiming that the past two years saw sharp cutbacks in drug use by Americans—surpassing all goals set out in previous Drug Control Strategy reports—the White House document failed to provide any data whatsoever on the two crucial indicators: total availability of drugs and levels of domestic marijuana production. In both these critical categories, the White House claimed that "data were not yet available."

No Data?

On Feb. 8, *EIR* published a cover story titled, "Where are the sorties against U.S. pot fields, Mr. Bush?" which documented the fact that in 1989, marijuana was the number

one cash crop in America, bringing in over \$50 billion in profits to Dope, Inc. In 37 states, marijuana brought in more cash than the leading legitimate crops.

Despite the fact that these statistics were compiled from public sources, the Bush White House report claimed that no data were available. Had the pot statistics been published, the fraud of the Bush administration's war on drugs would have been exposed for all to see.

Another lie peddled in the new report is that hospital emergency room incidents of drug overdoses and drug-related injuries and deaths are down 18% since 1989. According to several federal drug enforcement professionals interviewed by this magazine, *the only decline is in the reporting procedures*. The **Drug Abuse Warning Network (DAWN)**, a federally funded program for accumulating data from hospital emergency rooms, has experienced a 30% fall-off in personnel and reporting rates in the past year, due to massive budget cutbacks. The system is in such a shambles that the government has decided to shift over from a system of reporting every instance of drug-related emergency room

treatment, to a random sampling method which is much less reliable. Last year, the system was totally chaotic as the result of severe manpower constraints and the logistical problems associated with the change in procedures. In short, the data are worthless.

Conspicuously absent from the White House report is any mention of the former drug czar, **William Bennett**, who recently resigned reportedly in disgust after he lost a power struggle to the megalomaniacal Attorney General **Richard Thornburgh**. His recently confirmed replacement, defeated Florida Republican Gov. **Robert Martinez**, presided over a state notorious as the entry-point of preference for every Ibero-American drug cartel. Governor Martinez was selected for the post on the basis of his close family links to the Bush clan—not his dubious commitment to fight against drugs.

During his governorship, **Jeb Bush**, the President's son, was the Florida secretary of commerce. Never one for discretion, Jeb got himself in the middle of one of the nastiest drug money-laundering scandals in the state's sordid history. The full extent of Jeb Bush's involvement with the cocaine-peddling Nicaraguan **Contras** has yet to be told in public.

So much for George Bush's domestic "victories" against drugs. The international situation is even worse.

State Department Double Standards

On March 1, 1991, the U.S. State Department's **Bureau of International Narcotics Matters** issued its annual "International Narcotics Control Strategy Report." In addition to providing an overview of international progress in combatting narcotics, the report officially certified those nations which had been, in the eyes of the Bush administration, actively committed to the war on

drugs. Nations denied certification would be cut off from U.S. anti-drug funds.

Two cases in particular stand out in this year's report as shining examples of Bush administration hypocrisy.

The first is **Panama**, which, since the Bush administration's December 1989 invasion to "arrest" alleged drug trafficker Gen. **Manuel Noriega**, has become the hemisphere's most notorious safe haven for drug money launderers. *EIR* has documented this in great detail, and more recently even the *New York Times* wrote about the links between U.S.-installed President **Guillermo Endara** and the Colombian cocaine cartels. The same evidence has been widely published about the country's new Attorney General and Supreme Court chief justice, who sat for years on the board of one of Florida's leading drug money-laundering institutions, Dadeland Bank.

But the State Department report had the following to say, in listing Panama among the governments certified to receive U.S. drug enforcement aid:

"In the year after the military action which removed Manuel Noriega, Panama joined the international effort to fight illegal drugs. The Endara government has taken important steps against money laundering, made record drug seizures, and entered into important narcotics control agreements with the U.S. [government]. It has also begun to restructure, restaff, and professionalize its narcotics control agencies. The record of bilateral cooperation with the U.S. is good, but lack of resources and the need to rebuild institutions hamper Panama's efforts."

Apparently somebody at State experienced a pang of conscience coverup, because the rest of the Panama entry took a radically different tone:

"Money laundering continues to

be Panama's most serious narcotics control problem. There have been charges of corruption or involvement in illicit narcotics against Panamanian officials. While some of these allegations seem to be politically motivated, possible corruption continues to be a concern. On balance, however, Panama's record of anti-narcotics cooperation is positive."

The doublespeak in the Panama case was only outdone by the State Department's handling of **Syria**, which was denied certification, and remains the world hub of narcotics trafficking and narco-terrorism.

The harsh verbiage in the State Department's report was more than offset by Secretary of State **James Baker III**, who visited with Syrian President **Hafez al-Assad** just days after the report was released—not to discuss Syria's dope trafficking activities, but to chart out the "new world order" in the aftermath of the genocidal war against Iraq.

The State Department report had the following to say about the pals of Secretary Baker in Damascus:

"Syria is a transit point for illicit narcotics as well as a refiner of heroin. Much of Syria's drug trafficking activity stems from Lebanon's **Be-kaa Valley**, where Syria maintains a military presence but fails to enforce anti-narcotics controls. Credible reports indicate that some Syrian officers are directly involved in drug trafficking."

Due to the fact that, during the reporting year, 1990, Lebanon became virtually a militarily occupied colony of Syria, the State Department report granted Lebanon a "national interest waiver," noting that "Lebanon had no means of taking actions against narcotics production and trafficking during the year because of continuing political upheaval."

It is a wonder that the State Department narcotics control strategy report didn't come right out and praise the Syrian regime. After all,

INVESTIGATIVE LEADS

For investigative
purposes only

Volume 12, No. 7

Published by Executive Intelligence Review

April 1991

Nebraska Pedophile-Murder Ring Protected By FBI

PEJMP/LP-10

For foster parents and child care workers to whom Nebraska children turned with their reports of brutal sexual and ritual abuse in recent years, attempts to get help from law enforcement often led to nightmarish frustration. In a case full of reported trips across state lines for purposes of sexual exploitation, involving prominent persons from the national political establishment, the concerned citizen might have expected an effort by the **Federal Bureau of Investigation** to get to the bottom of the matter, even if local authorities were holding back.

In Nebraska, just the opposite was the case. From the time when allegations of child abuse and satanic activity involving the **Franklin Federal Community Credit Union** surfaced in late 1988, the FBI has sabotaged the investigation, and discouraged state agencies from investigating.

A growing dossier on the FBI's attitude toward the Franklin case and on persistent reports of perversions practiced within the Bureau, including in Omaha, suggests a motive for such behavior. It is like a scene from the movie "Invasion of the Body Snatchers," where a person fleeing from the pod people to some trusted authority finds, to his horror, that the authority is one of them.

In Nebraska, ten people associated with the Franklin case have died suddenly, some of them violently, over the past two years. If any more die, in particular attorney **John DeCamp** or his client **Paul**

Bonacci, the responsibility rests squarely on the shoulders of those who presided over the coverup—the FBI.

Sabotage

Since the Franklin case broke, the FBI has:

- Harassed the Nebraska Senate Franklin committee's chairman and chief investigator. In December 1988, possessing clear evidence that local, state, and federal agencies were doing nothing to investigate victim-witnesses' reports of child abuse and satanic human sacrifices, the Nebraska Senate established its own investigative committee, chaired by State Senator **Loran Schmit**. In August 1989, that committee hired former Nebraska state patrolman **Gary Caradori** as its chief investigator. As soon as Caradori began developing evidence against alleged pedophiles in high places, the FBI started to investigate Schmit's finances, and instigated at least one bogus lawsuit against him. Caradori commented bitterly to associates that the FBI was doing all it could to sabotage his investigation, including probably tapping his phone. Caradori's phone was in fact tapped, confirmed by his sources inside the phone company and by a repairman from the Executone company. The FBI leaked key portions of Caradori's investigative material, such as the videotaped interviews he did with three victim-witnesses, to local news media, thus obstructing the investigation. Although the FBI and the

Omaha World-Herald claimed the Franklin reporter leaked the tapes, Channel 7 newscaster **Mike McKnight** told one victim-witness that the FBI itself provided them.

Nor did the harassment end with Caradori's mysterious death in a plane crash on July 11, 1990. The next day, before his body was even home from the crash site in Illinois, the FBI slapped his widow, **Sandi Caradori**, with a subpoena for all financial records of the Caradori firm.

- Suppressed crucial evidence. One afternoon in early 1990, Caradori examined the records of **YNR Airlines** in Sioux City, Iowa, and discovered the names of numerous children listed on flights chartered by Franklin boss **Larry King**. These documents confirmed victim-witnesses' charges that they had been flown around the country as part of King's prostitution ring. The FBI now has those manifests—proof positive of a national child abuse ring—but is sitting on them.

- Pressured victim-witnesses to recant their charges of abuse. Two witnesses, **Troy Boner** and **Danny King**, eventually did, allowing the

FBI Nebraska	1
NAMBLA Nebraska Links	4
Noriega CIPA	5
Panama Dope Banker	6
Endara Dope Banker	7
Oct. Surprise Probe	8
Thornburgh to Senate?	10
RSA UN Target	11

FBI to concoct the theory that Caradori "scripted" the victims' videotaped testimony. But a few hours after Caradori's death, Troy Boner called Sandi Caradori. The following is from the transcript of the discussion, prepared by Mrs. Caradori:

Boner: I am so sorry. I am so sorry. He shouldn't have died.

Mrs. Caradori: What are you saying Troy? What are you trying to tell me?

Boner: Gary wasn't lying. He didn't tell me what to say. What I told him was the truth. [He spoke very rapidly as if fighting back tears.] They made me take it back. They threatened me.

Mrs. Caradori: Troy, you should tell someone. . . . Do you want me to call Senator Schmit? You need to come out with the truth once and for all. Troy, what has happened?

Boner: You don't understand, they threatened me, they made me take it back. I was so scared. . . . I'll go to anyone who'll listen. I'll go without my lawyer. I'm gonna come clean.

The following evening, Boner called Sandi Caradori again. He said, "Sandi, I tried, I tried. I went to **Mickey Mott** and . . . [FBI agents]. They laughed at me. They said they spent too much time and money on this case now for me to change my story."

During victim-witness **Alisha**

Owen's first meeting with the FBI, Agents **Rick Culver** and Mickey Mott advised her to say she lied on the tapes. Through her attorney **Pamela Vuchetich**, the FBI later offered her a deal: Just say that Caradori made the whole thing up, and all charges against Owen would be dropped. When she refused, the FBI then had Boner call Owen from FBI headquarters, to ask her leading questions, to make it look as if Owen were part of the supposed Caradori "scripting." When Owen ripped up an immunity agreement she had at one point negotiated with the FBI, and decided to simply tell the whole truth, an enraged Assistant U.S. Attorney **Thomas Thalken** threatened repeatedly that he would indict her for perjury, which the federal grand jury under his direction ultimately did.

● Recruited Owen's attorney as their agent-of-influence. In violation of legal ethics, the FBI recruited Alisha Owen's first lawyer, Pamela Vuchetich, to work for the FBI while nominally working for Owen. Vuchetich not only proposed, with her obvious endorsement, the FBI "deal" to Owen, but turned over to the FBI a crucial file belonging to Owen, against Owen's explicit instructions not to do so. Caradori said to Owen at one point in early 1990, "Alisha, maybe you should start wondering why your attorney is spending so much time with the FBI."

● Advised alleged perpetrators and witnesses not to cooperate with the Senate investigation. Caradori had met with alleged pedophile **Alan Baer** and his attorney, and reported to associates that he had Baer "on the verge of cracking." Since Baer's name had repeatedly surfaced in the testimony of victim-witnesses, a grant of immunity to Baer in return for his testimony against other alleged perpetrators would have blown the case wide open. The FBI advised Baer, "keep your head down, don't talk or you'll get your head blown off," reported a

source close to the case. They gave similar advice to employees of Franklin who volunteered information on the sexual and other activities of Larry King, according to a former Franklin Credit Union employee.

● Pressured other law enforcement agencies not to pursue allegations of abuse. On June 28, 1988, five months before the Franklin case broke open with the collapse of the credit union, Officer **Irl Carmean** of the **Omaha Police Department** (OPD) interviewed a young girl at Richard Young Hospital, who told stories of sexual abuse and satanic activity involving Larry King. Carmean was transferred off the case shortly thereafter, and despite new revelations the girl made to hospital personnel in July, August, and September about murders of children, she was not interviewed again.

On Dec. 20, 1988 Carmean submitted a memo to OPD Deputy Chief **Charlie Parker** which told why not: The FBI had intervened. Carmean recounted a meeting of the OPD Robbery/Sexual Assault Unit led by Lt. **Bill Goodrich**, in July or August 1988. "Lt. Goodrich spoke of the Larry King investigation and stated that he [Goodrich] had been in contact with a federal agency that was also investigating King. . . . Lt. Goodrich said that the federal agency was concerned that our child pornography/abuse investigation might hamper their investigation. **Officer Berney** told me that although he wasn't sure, it was either directly stated or he [Berney] got the impression that we were to either 'slow down or back off' in our investigation so as not to impede the federal case."

Motive for Coverup

The FBI's strong interest in discrediting the victim-witnesses could be traced to the Bureau's associations in Nebraska, to start with. Then-FBI chief in Omaha, **Nick O'Hara**, was the closest of friends with one alleged perpetrator,

Investigative Leads published 12 times annually by:

Executive Intelligence Review, P.O. Box 17390, Washington, D.C. 200 41-0390, © 1991, EIRNS.

Editor: Jeffrey Steinberg

Subscription by mail for the U.S.: 1 year—\$75. To arrange for private special project reports, mail inquiry to *Investigative Leads*, P.O. Box 17390, Washington, D.C. 20041-0390 or call (703) 777-9451. Affiliates: *Spuren und Motive*, Dotzheimer Str. 161, 6200 Wiesbaden, BRD. Tel: (06121) 449031.

To subscribe to *Investigative Leads*, call (703) 777-9451 or mail to *Investigative Leads*, P.O. Box 17390, Washington, D.C. 20041-0390; \$75 for 12 issues annually.

Omaha Police Chief **Robert Wadman**, and went on hunting trips with still another alleged perpetrator, *World-Herald* publisher **Harold Andersen**. The word in law enforcement circles in Nebraska, even before the Franklin revelations, was that "Wadman and O'Hara are so close they probably sleep together." In addition, the name of the Assistant U.S. Attorney in Omaha in charge of the federal Franklin grand jury, Thomas Thalken, had surfaced in the Caradori investigation as an alleged pedophile, who frequented adult book stores in Council Bluffs, Iowa. Though Larry King was indicted on 40 counts of financial wrongdoing, the massive evidence of child abuse was simply buried.

Some of the most powerful political and financial figures in Nebraska, with links into high-level circles in Washington, D.C., were reportedly involved with Larry King. That would be sufficient motive to cover up the allegations of satanism and child abuse, together with FBI head O'Hara's friendship with two alleged perpetrators.

But there appear to have been even more compelling reasons for the Bureau to cover up Franklin.

The Rochon Case

In August 1990, a black FBI agent, **Donald Rochon**, reached a landmark out of court settlement with the FBI on charges of racial discrimination. Rochon was a highly regarded, decorated veteran of the **Los Angeles Police Department**, who joined the FBI in the early 1980s. According to the settlement, Rochon, who had worked in the Omaha FBI office in 1983-84, will receive more than \$1 million over his lifetime, and have his \$500,000 in legal expenses paid. He had received death threats and other forms of vicious harassment at the hands of his fellow FBI agents in Omaha.

In the course of the legal proceedings, Rochon leveled several charges of sexual perversion

against Omaha FBI personnel. Some of these charges are recorded in a "Motion of the [U.S.] Attorney General for Summary Judgment as to Plaintiff's [Rochon] 'Chicago Claims,' " filed on Sept. 13, 1989 in Washington, D.C. After his Omaha assignment, Rochon had moved to Chicago, where the harassment continued.

The following is taken from Subhead II of that motion, "The Sexual Deviance Complaint and Investigation":

"In response to his telephonic complaint, a signed sworn statement was taken from Rochon on July 3, 1984. In his statement, Rochon described a series of acts or events which he alleged were evidence of sexual deviance by **SA [Special Agent] Dillon** and other SAs assigned to the Omaha office. Specifically, Rochon alleged that he had 'personally observed' Dillon 'French kissing' Special Agent **Terry J. Bohle**, a male, at a going-away party for SA Bohle, and that he likewise had 'personally witnessed' Dillon 'exposing himself in the Omaha office during a regular work day to numerous Omaha employees, both male and female.' In addition, Rochon said that he had heard reports that Dillon had allowed Bohle to urinate into his mouth and to 'urinate into a beer bottle, [from] which he subsequently drank'; and that Dillon had been observed 'picking out the deodorant block in [the] men's urinal and placing this block in his mouth.' Rochon further alleged that Dillon appeared preoccupied with homosexual acts, kept homosexual pornography at his desk, and had frequently spoken in the office of homosexual acts."

Rochon's charge that Dillon had allowed Bohle to urinate into his mouth was substantiated by another agent who saw it happen. Dillon denied the charges, but admitted that SA Bohle did "accidentally" urinate on him on one occasion. He added that he, Dillon, had not exposed his penis, as Rochon

charged, but merely his buttocks. Most of Dillon's FBI colleagues claimed the incidents of perversion did not happen, and the Bureau itself defended Dillon's possession of pornographic homosexual literature on the grounds that this was necessary to his investigation of homosexual prostitution at the time. Yet the evidence supporting Rochon's accompanying claims of discrimination and harassment was so overwhelming, that the FBI chose to settle out of court.

Tainted Agents

An FBI press release covered in the *World-Herald* in October 1983 stated the Bureau had investigated a male prostitution ring in Omaha. One of the agents on the case was evidently none other than Special Agent Dillon.

At issue was a major pedophile ring, discovered during an FBI investigation of then-Attorney General **Paul Douglas**. The U.S. Attorney commented privately at the time, "This thing is so big and involves so many prominent people around this state." The investigation was expected to bring high-level indictments, but never did. One Nebraska insider said recently, "There is no doubt that the pedophile networks investigated in 1983 overlapped those of Larry King; in fact King himself was probably looked at at that time."

Numerous witnesses, in particular former members of the **Boys Town** police force, have attested that in 1983 and 1984, King was recruiting boys from Boys Town for his pedophile prostitution ring, activity clearly facilitated by at least some Boys Town personnel. One Boys Town employee, **John Barksdale**, also worked at Franklin Credit Union, and King had intended to make Barksdale the head of a planned nationwide expansion of Franklin, called "Franklin, U.S.A."

Special Agent Dillon, in turn, who was investigating homosexual prostitution in those years, was "real

4 INVESTIGATIVE LEADS

close to some priests at Boys Town," according to a law enforcement source who knew Dillon at the time. Senate investigator Caradori much later received information that some priests associated with Boys Town, in particular **Father Pat Henry** and **Father Fiala**, were allegedly pedophiles; Father Henry was sent to Bolivia when child abuse scandals surfaced at Boys Town in the mid-1980s.

Donald Rochon was an ex-

tremely effective agent, part of whose responsibility while in Omaha was to find missing children. He once was commended for finding a kidnapped young girl within one day of beginning work on the case. Inevitably, as a black agent, he would have developed ties into the tight-knit black community in Omaha, where Larry King's pedophilia was notorious. Many of the young boys King used as prostitutes were black, and were recruited from

Boys Town, where the alleged pervert SA Dillon seemed to have friends. Would it have been just a matter of time until Rochon found himself investigating SA Dillon, and others in Dillon's clique? One thing was established for certain by Rochon's court documents: Dillon was the ringleader of the harassment operation which drove Rochon from Omaha, and most of the rest of the Omaha FBI office covered up for Dillon.

Bonacci Exposes Nationwide Pedophile, Satanic Network

For the past several months, attorney **John DeCamp** and a private investigator working for him have been debriefing child abuse victim-witness **Paul Bonacci** in prison in Lincoln, Nebraska. The extensive debriefing is to prepare for Bonacci's trial on a perjury indictment handed down by the Douglas County Grand Jury on July 27, 1990, as well as for his own civil suit against those he has named as his abusers. Since each of Bonacci's 23 or more personalities was created to shield the main personality from the horror of what was happening to him, each has its own, partial, memory and each must be questioned separately.

Bonacci has provided detailed new evidence on the national and international child kidnapping, pornography, and murder apparatus, of which the Franklin case is a part, and in which **NAMBLA, the North American Man-Boy Love Association**, plays a central role. In fact, two of Bonacci's personalities, Sean and Christopher, have the last name "Thorstadt," because of their involvement with, and abuse by, the head of NAMBLA, **David Thorstadt**. Another Bonacci personality, Alexandrew Michaels, in mid-April wrote to **Dr. Judianne Densen-Gerber**, noted specialist in satanic ritual abuse, who had examined Bo-

nacci in prison in December 1990. Excerpts of that letter, and Dr. Densen-Gerber's response to it, follow:

"I can even recall when and where I remember you from. Tell me if I'm wrong in which I know you wouldn't remember me. It was in New York on December I believe the 28th or 29th, 1982, it was a Tuesday or Wednesday (not important). It was a news conference at I believe the Holiday Inn. I had to wait for David [Thorstadt] with a friend. When he got done he told me that wicked old witch Gerber was someone he had to fix somehow." Densen-Gerber responded, "He's absolutely right. The details are perfect. . . ."

'Computer Chip' Memory

The "computer chip" quality of one or more of Bonacci's personalities, has enabled him to provide names, dates, and places both for some of the most famous child disappearance cases of the past decade, in several of which he was personally forced to participate, and for satanic ritual sacrifices, both in Nebraska and California. We quote here portions of these debriefings:

On NAMBLA: Bonacci said he first met NAMBLA head Thorstadt through two two Omaha men, **Joe Burke** and **Walter Carlson**. He

later accompanied Thorstadt to New York, and described in detail the weekly NAMBLA meetings. "And they'd have like auctions and sell the kids and stuff."

On the national child kidnap ring: "Q: What did he [Emilio] tell you that he did for a living? PB: Kidnap kids and took them to Las Vegas. Q: What kind of kids? PB: Any kid that he could get. Q: Does it matter if it's male or female? Does it have to be boys, or could it be girls? PB: Him, no, him, he'd kidnap boys or girls. Main thing he'd kidnap was boys, though, 'cause he said he'd get more money for them."

"Emilio used to tell me all kinds of things like how they could get away with kidnapping kids and sell them out of the country. He said most of the kids were sold in Las Vegas at a ranch he took me to one time for an auction. I went with him to Toronto several times where boys were sold. I saw a few girls once in a while. He said virgins could bring as much as \$50,000. They called the boys toys, used toys brought in money but not as much. On the way back, we stayed one night at a motel which you have pictures of. It wasn't drugs we were dropping off but pictures of boys in sexual or plain nude shots, and also some German-made kiddie porn magazines. Most boys were sold out of America

cause it's harder to find them. The men who bought them had planes and could transport them easily."

On the kidnapping of an Iowa paper boy in the early 1980s, in which he was forced to participate: "Well, we got up at, oh, before the sun got up. He [Emilio] said he wanted to go out 'cause he said that he had been around before and stuff and he said that, paper boys would be going out pretty soon. He said he might be able to, that that would be the best bet. He wanted them, because he said they were easier on mornings 'cause there was nobody else around. Everyone else is asleep."

Years later, Bonacci ran into this kidnapped child again: "He [the child] said it was about '84, '83 or '84. About a year after he got taken, they were moving him around quite a bit. . . . He said that they had a guy who worked real closely with the local police departments out there so when they get close their informant told them that they were coming and they had several hours to prepare and get out. He says they have so many people that when they get close to, to one person, they can just easily transfer them to another house."

"Q: And he would ask Emilio how come he was taken from his parents? PB: Yeah. Q: And Emilio would say what? PB: 'Because they don't want you.' And also that, 'they don't love you.' And at first he argued with him and then after a while he was starting to believe him, what he was being told, and he just started crying and saying that his parents don't love him. . . . Q: Did they mark him in any way? PB: Uh-huh. They did it for punishment one time when he tried to run away. He tried to run off before he found out how far away the town was . . . and they branded him. Q: How did they brand him? PB: With a branding iron. What he had, he had that burn mark on his behind. Q: That brand you saw on [name deleted]. . . PB: I saw it on some of the animals. Q: Can you draw it? PB: [draws brand]"

On the sale of children in Nebraska: "Q: Did Emilio ever take you anywhere else he had boys that he had abducted? PB: Grand Island, Nebraska, 1983, August. . . . It was a farmhouse, and there was four or five boys there. Two of the boys got sold right there to some guys."

On the FBI protection of the pedophile rings: "The only thing I can remember is, was something about **John Barrings** or **Burns**, or, can't remember last name, is like he was, uh, he was running from the law, in Buena Vista and also in Texas. He was running for a while, and about '82 or so he got arrested, he got arrested out in New York, a bunch of guys got arrested out there, got arrested for supposedly kidnapping this kid named **Charles Dison** or something like that. Never got arrested, or did get arrested but they let him go 'cause [unintelligible] they let him go. Ever since then he kept talking about how he could elude the law and he kept saying the law was on his side, that he could set anybody up and get them into trouble and stuff and get away with it because he had the FBI with him. He was working for them, so they let him go ahead and do what he did with the kid."

A Satanic Ritual

Bonacci described one satanic ritual in **Bakersfield, California**. "That thing, I forgot, only thing I got to was went to a place out there when they had, they had the other boy that, little boy that was screaming, sacrificed him, too, and there was other, a bunch of other little kids. . . . Some of the adults were

using candles and sticking them up the little boys' anuses and stuff. These kids were crying and some of them that were there their parents were right there. These were their own kids that they were abusing and letting other people abuse. Q: Do you know any of these people? Do you have any way of knowing how to find them? PB: I know they lived in Bakersfield and I'm sure if I start thinking about it more I might be able to remember their names."

About "Larry the Kid," a key henchman of **Larry King**, about whom both Bonacci and **Alisha Owen** had testified to the grand jury, and whom Bonacci met again in prison: "He said that he used to do business for King and stuff down in Washington, D.C. and also other places, but I already knew that because I had seen him at them places when I was growing up; and he recognized me and he, the grand jury even showed me a picture of him."

The grand jury had claimed, in their final report, "Owen repeatedly referred to a bodyguard and enforcer of King's nicknamed 'Larry the Kid.' We believe this muscular, black male, in his late teens or early twenties, to be a fictitious character."

Bonacci's revelations continued: "Q: When the grand jury showed you the picture what did you say? TB: Well, I told them that he was the guy that we called Larry the Kid."

During the recent debriefings, Bonacci reportedly identified "Larry the Kid" as **Bentley "Goldie" Buckner**, now in prison in Nebraska for 15-30 years, and who threatened him in jail on behalf of **Alan Baer**.

The Noriega Papers: What did George Bush Know about U.S. Drug Trafficking?

A 107-page memorandum submitted to the U.S. District Court of Southern Florida by the attorneys of Panamanian Gen. **Manuel Noriega**

under the **Classified Information Procedures Act (CIPA)**, provides new evidence that agencies and officials of the United States govern-

ment were either involved in drug-running or, at the very least, turned a blind eye to such criminal activity to obtain funds to support the illegal **Nicaraguan Contra** operations. The heavily censored document, released the first week of May by U.S. authorities in Miami, raises anew questions about what **George Bush** knew the about the drugs-for-weapons Iran-Contra operations.

The document, which details Noriega's connections with the U.S. government, the **CIA**, and Bush over a 20-year period, show that the Bush crowd used Noriega, and then betrayed him when he no longer served their interests, although he "has not and did not act to break any laws of the United States." In fact, many of the government's witnesses against Noriega, "are actually CIA assets."

The White House Drug Connection

Noriega's problems with the United States started when he drew a line on providing support for the Reagan-Bush administration policy of backing the Contras against the Nicaraguan government, an activity forbidden by the U.S. Congress. (It was also in part because of his opposition to the Contra policy that American presidential candidate **Lyndon H. LaRouche Jr.**, was thrown in jail by the Bush government.)

The U.S., through Adm. **John Poindexter**, requested that Panama help the Contras stage an invasion of Nicaragua "since U.S. ground forces could not become involved in any such war without violating U.S. law and without inviting massive protest in the United States."

But, "Noriega said it would be impossible for Panama to become involved in any such activity. Poindexter responded by threatening Noriega specifically and Panama in general."

Despite Noriega's warnings, the CIA used pilots to illegally transport

weapons to the Contras, although it was aware that those same pilots "were also transporting drugs to the United States."

"The cocaine and marijuana were flown directly into the U.S. [military] bases in South Florida. Because they were flying guns down to the Contras, such flights had the protection of U.S. government agencies," says the court document, adding: "Intriguingly, the head of the **South Florida Drug Task Force** interdiction project during these years was none other than Vice President George Bush."

DEA officials testified last July before the House Judiciary Subcommittee on Crime, that "Lt. Col. **Oliver North** suggested to the DEA in June 1985 that \$1.5 million in drug money carried aboard a plane piloted by DEA informant **Barry Seal** and generated in a sting of the **Medellín Cartel** and **Sandinistas** officials, be provided to the Contras."

In fact, it was the U.S. government, not Noriega, which was dealing all along with the Medellín Cartel to obtain support for the Contras. "The **State Department** selected four companies owned and operated by narcotics traffickers to supply humanitarian assistance to the Contras. The companies were:

- "**SETCO Air**, a company established by Honduran drug trafficker **Ramón Matta Ballesteros**;

- "**DIACSA**, a Miami-based air company operated as the headquarters of a drug trafficking enterprise for convicted drug traffickers **Floyd Carlton** and **Alfredo Ca-**

ballero;

- "**Frigoríficos de Puntarenas**, a firm owned and operated by Cuban-American drug traffickers who were also CIA operatives;

- **Vortex**, an air service and supply company partly owned by admitted drug trafficker **Michael Palmer**."

Noriega met several times with Bush, although the document has been censored by U.S. authorities regarding what happened at these meetings. He held meetings with Oliver North, including one in London, England, at which was present Gen. **Richard Secord**, of **Iran-Contra** fame. Later, Secord, "boarded a **Southern Air Transport** plane and flew to Iran, together with the recently retired National Security Adviser, **Robert C. McFarlane**. Fat profits were duly made in these arms deals although only a fraction ever reached the Contras."

A Panamanian Nationalist

According to the CIPA submission, "General Noriega is first and foremost a Panamanian nationalist. In order to maintain the independence and sovereignty of Panama, General Noriega struggled to maintain in balance American Imperialism on the right and Cuban Expansionism on the left." As part of this policy, he established and maintained confidential relationships with Israel, Costa Rica, Nicaragua, East Germany, Cuba, and the United States, among others. He helped Argentina obtain Exocet missiles to defend itself from Great Britain during the Malvinas War.

Panama: More Dope under U.S. Occupation

Against the lies retailed by the establishment's liberal media and the Bush administration, IL has been insisting that the Dec. 20, 1989 invasion of Panama was not really to fight drugs, but to make Panama

safe for drug traffickers.

U.S. administration officials admitted to Congress on April 17 that drug-related activities in Panama have "picked up to the level that existed" just before the invasion. That

admission by Deputy Assistant Secretary of State for Inter-American Affairs **Michael Kozak** is, if anything, an understatement.

According to the *Los Angeles Times* April 28, the levels of drug trafficking "in some cases exceed" what existed during the government of Gen. **Manuel Noriega**, and officials "say the trend is sharply upward and includes serious movements by the Colombian cartels into areas largely ignored under Noriega."

Those new areas, say U.S. embassy, military and **Drug Enforcement Administration** (DEA) officials, include:

- The establishment of cocaine production facilities. "One U.S. military source said there are at least eight cocaine production plants in the jungle of Darién province that borders Colombia."

That is a new development. As the *Los Angeles Times* notes, "At the height of Noriega's rule, the Colombian drug bosses were unable to maintain production laboratories in Panama," because Noriega would not allow it. Now, "it has gotten so bad that there is even a small cocaine lab in Paitilla," the *Times* reports, referring to Panama City's most exclusive neighborhood.

In fact, as this publication has reported, the only cocaine laboratory set up in Panama previously, was dismantled by Noriega soon after he assumed command of **Panama's Defense Forces** (PDF) in 1984. That lab was installed in Darién by the **Medellín Cartel** with the approval of Noriega's predecessor at the PDF, Gen. **Rubén Darío Paredes**, a protégé of former Secretary of State **Henry Kissinger**. Even after Paredes's role in drug trafficking was discovered, Kissinger and his business partners, **Lawrence Eagleburger**, who is Bush's assistant secretary of state, and Gen. **Brent Scowcroft**, national security adviser, continued to defend him and to blame Noriega, despite the fact that U.S. drug enforcement of-

ficials had repeatedly said that Noriega was the best ally of the U.S. in the war against drugs in Ibero-America. Eagleburger, Scowcroft, and Kissinger all played key roles in shaping the Bush administration decision to invade Panama and to install partners of the drug cartels as the government.

- There has been a marked increase in drug consumption in Panama, particularly among high school and even elementary school children, which was unknown before the invasion.

According to the *Los Angeles Times*, "the retail sale and use of narcotics in Panama" is "more extensive now than under Noriega" and there is now "virtually open sale of cocaine in some of Panama City's busiest downtown streets and the barely concealed use of drugs in bars and nightclubs, including several frequented by American military personnel."

- Traffickers "move their drugs freely into and out of the country," the article says. "The use of Panama as a way station for the shipment of drugs to North America and Europe has sharply increased in recent months . . . and is measured in tons and valued in millions of dollars."

- Foreign banks are laundering drug money, says the *Times*, quoting a U.S. drug enforcement agent: "If this isn't stopped . . . we are faced

with hundreds of millions, even billions, of dollars clearing through Panama banks and it will be almost impossible to trace them."

The Drug Banks Involved

Although U.S.-installed President **Guillermo Endara**, most of his cabinet, his Attorney General, and members of Panama's Supreme Court are linked to drug-money laundering banks, U.S. officials told the *Times* "There is no evidence Endara is personally involved, but he has been naive in his private business and some of his associates are certainly questionable."

So who gets blamed for this increased drug trafficking? Certainly not the "naive" Endara, the corpulent U.S. puppet President, who is also known as "Sweetbread" and "Honey Bun"; nor Second Vice President **Guillermo "Billy" Ford**, a drug banker whom Eagleburger calls "my close personal friend." And most certainly not U.S. Ambassador **Deane Hinton**, who makes most major decisions of the Panamanian government.

There's only one person left to blame, and that's Noriega: "Noriega himself is still directing the drug operations in Panama" by telephone from his Miami jail cell, claims former police chief **Ibrahim Asvat**, who is loyal to First Vice President **Ricardo Arias Calderón**.

Endara's in Hot Water Again

A report prepared by the U.S. **Drug Enforcement Administration** reveals new ties between Panamanian President **Guillermo Endara** and the drug cartels. According to the DEA report, made public on April 4 by the president of the opposition PRD party, legislator **Gerardo González**, Endara was an officer in a network of companies set up to launder money for a ring that smuggled one ton of cocaine

per month into the U.S., each and every month, between 1978 and 1990.

Endara was installed as President by the U.S. Army that **George Bush** sent into the country in December 1989, to "get" Gen. **Manuel Noriega** because, according to Bush, General Noriega was involved in drug trafficking. At least 4,000 Panamanians were killed in that invasion. Before, during, and

8 INVESTIGATIVE LEADS

since the invasion, *IL* has reported on the partnerships with the drug cartels of Endara and most of the top officials in his coalition.

The DEA report says that Endara was secretary treasurer of at least six of the nearly 150 corporations and banks that laundered funds for a gang run by **Augusto Falcón** and **Salvador Magluta**, who were both convicted last year by a U.S. court of smuggling cocaine into Florida from 1978 to 1990. Among the institutions that laundered their funds were **Banco del Istmo**, **Banco General**, **Banco de Colombia**, **Banco Alemán**, **Banque Sudameris**, and **Union Bank of Switzerland**.

At a hastily called news conference April 5, Endara admitted his ties to the companies, but denied any involvement with drug-money laundering. His law firm, **Solís, Endara and Delgado**, helped set up the firms "as a favor for our friend **Juan Acosta**," a Miami lawyer who was killed, in what is believed to have been a drug-related execution. Endara claimed he severed relations with the companies in 1987, but that was denied by sources in Panama's Legislative Assembly, who say he did not resign until 1990, after he was confronted by the DEA.

One Endara law partner, **Hernán Delgado**, is listed as president of all six companies. He is currently Endara's chief presidential adviser. His other partner, **Menalco Solís**, runs the CIA-trained **National Security and Defense Council** and the **Institutional Protection Service**.

Panama's Attorney General **Rogelio Cruz** was given the DEA report months ago, but failed to act on the information, sources said. Cruz was himself linked to a money-laundering bank, **First Interamericas**, a joint enterprise of the **Medellín** and **Cali** cocaine cartels. Endara has also been linked to First Interamericas. An earlier report from the DEA said that Endara was a co-owner of yet another drug-money laundering

bank, **Banco Interoceánico**, also known as **Interbanco**.

In his press conference, Endara said that early in 1990, he and his law partners gave information about companies in the Falcón-Magluta case to U.S. officials. "The DEA and the U.S. Embassy, which are the same thing, promised us confidentiality," said Endara, who let it be known that the Bush administration leaked the information in order to blackmail him.

The U.S. embassy in Panama denied it was the source of the leak, but did not deny the accuracy of the report. It said that Endara's law partner, Delgado, was "lending valuable assistance" to the ongoing investigation and that Delgado is not a target of the investigation. The embassy statement stressed that the report, a sworn affidavit prepared by DEA agent **Yvette Torres**, "neither states nor implies that the officials, directors or agents of the corporations were aware that they were involved in money laundering."

U.S. Wants to Reopen the Canal Treaties

The U.S. has been pressing Endara to sign a Pact of Mutual Legal Assistance, which Panama says could shut down its Swiss-style

banking center and finish off its economy. There is also a move, backed by the U.S. **Republican Party** establishment, calling for renegotiation of the 1977 **Panama Canal Treaties**, to allow U.S. troops to remain in Panama permanently. Endara says he will not renegotiate, which makes the timing of the leaks against him most interesting.

The new revelations came as Endara's coalition finally came apart, with the resignation from the cabinet of the Christian Democrats of First Vice President **Ricardo Arias Calderón** on April 8. Endara had been trading charges and countercharges with the Christian Democrats, of wire-tapping, illegal arms smuggling, and corruption. Arias Calderón quit his post in the cabinet, as Minister of Government and Justice, although he remains vice president. The other member of the U.S.-installed ruling troika, Second Vice President **Guillermo "Billy" Ford**, retained his cabinet post as Minister of Planning and Finance.

Ford, former co-owner of the notorious **Dadeland Bank of Miami**, is a strong favorite among those being considered to replace Endara when Bush decides to get rid of him. Another is **Gabriel Lewis Galindo** of **Banco del Istmo**.

Congress Must Probe October Surprise: What Was Kissinger's Role?

EDITOR'S NOTE: *IL's parent publication Executive Intelligence Review issued the following call on May 11.*

It is high time that the U.S. Congress conduct a full investigation of the "October Surprise" scandal which has again surfaced in recent weeks.

This investigation must not be sidetracked by secondary issues such as whether or not **George Bush** personally participated in meetings designed to delay the re-

lease of the hostages until after the November 1980 elections. The central issue is why the **Carter administration** hostage negotiations broke down in October 1980, and why the release of the American hostages was delayed until moments after the Reagan-Bush inauguration on Jan. 21, 1981.

While recent news coverage—such as the April 15 *New York Times* column by former NSC official **Gary Sick** and the April 16 PBS "Frontline" program—has shed

some interesting new light on the events of the fall of 1980, the most essential facts are already in the public domain, and are well known. It is not necessary to know whether George Bush was in Paris on Oct. 19, 1980, or to exhume the late **William Casey's** body, to get to the bottom of the October Surprise story. The most important participant and witness, **Henry A. Kissinger**, is still fully available should Congress seek to subpoena him, and, indeed, he could not even claim executive privilege, because he was not a government official at the time.

Broader Implications of the 'Kissinger Factor'

The active role of Henry Kissinger in the process leading into and accompanying the hostage-taking in Teheran, the arms deals with **Khomeini**, and the eventual hostage release, is of special importance for any competent investigation of the October Surprise story. Kissinger's role provides a crucial window into the broader forces involved in the American policy debacle in the Middle East over the past two decades.

On May 10, 1982, Kissinger delivered an address before his long-time British Intelligence sponsors at **Chatham House** (headquarters of the **Royal Institute for International Affairs**), in which he stated unequivocally that he had been an agent-of-influence of the **British Foreign Office** while serving two U.S. Presidents between 1969 and 1977. Leading elements of the Kissinger policy of that period bear directly on the Iran hostages and other events shaping U.S. policy toward the region.

The first of these elements is what is known as the **Bernard Lewis Plan**. This was a British **Arab Bureau**-designed policy conveyed into the United States during the Kissinger tenure, reflecting British intelligence's targeting of Iran, and the Middle East more broadly, for fundamentalist destabilization.

The second crucial policy of the

Kissinger tenure, which would have direct bearing on the Iran events of the Carter and Reagan-Bush years, centered upon the population issue. Between 1974 and 1977, Henry Kissinger and Gen. **Brent Scowcroft** authored a series of **National Security Council** policy memos targeting a number of developing sector countries for population reduction as a matter vital to American "national security." Among the targeted countries named in the Kissinger-Scowcroft NSC documents were Mexico, India, Bangladesh, Pakistan, and Brazil. Iran was indirectly targeted as well. This population reduction policy, taken in tandem with the Bernard Lewis Plan for encouraging the spread of Islamic and other fundamentalist movements, represented an updated version of the Sykes-Picot Treaty of 1916 between Britain and France which targeted the Mideast region as a whole. The flow of arms into the Middle East beginning during the Kissinger era was an integral feature of the overall policy.

Investigators probing details of the October Surprise and related scandals vis-à-vis American policy towards the Middle East should use the Kissinger case and the broader policy design as a critical framework for evaluation. It is essential to understand the fundamentally British policy conduited into Washington, D.C. via agent-of-influence Kissinger among others.

The Investigation Per Se

With this background in mind, the essential facts and parameters by which a Congressional investigation should be guided, are as follows:

- After the outbreak of the Iran-Iraq War on Sept. 22, 1980, Iran was desperate for spare parts for its U.S.-supplied military equipment. The Carter administration was equally desperate to obtain the release of the hostages in the closing weeks of the 1980 election campaign.

- At the same time, Henry Kis-

singer was publicly warning that any arms shipments to Iran would be paying "ransom" and George Bush cautioned against any deal involving military supplies, stating that he was opposed to arming terrorist regimes.

- In late October, the Iranians broke off negotiations with the Carter administration over the hostages. **Ayatollah Beheshti**, leader of the hard-line fundamentalist faction in the Iranian Majlis (Parliament), announced on Oct. 26 that parliamentary debate would be postponed, and that the hostages would not be released until after the U.S. elections.

- On Nov. 5, 1980, the day after the elections, Henry Kissinger announced that there would be no release of the hostages until the inauguration.

- On Nov. 12, 1980, the leading Italian daily *Corriere della Sera* reported that the British secret services had conducted mediation efforts between the **Fedayeen-Islam** (the **Muslim Brotherhood**) and the Reagan-Bush camp. *EIR* learned that these efforts involved Kissinger and his close associates, including **Michael Ledeen**, **David Abshire**, and **William Hyland**.

- On Jan. 21, 1981, moments after the inauguration of **Ronald Reagan** and George Bush, Iran released the hostages. Military parts and supplies were already flowing into Iran from Israel, and then also directly from the United States.

These are the essential facts of the "October Surprise" story. It is undeniable, that the fundamentalist mullah faction in Teheran believed that they were better off dealing with the incoming Reagan-Bush administration, than with the Carter administration. The important questions are how and why they came to believe that. Henry Kissinger's widely publicized efforts to insert himself into the middle of the hostage negotiations provide the most obvious clues to the answer.

EIR's Qualifications

The weekly news magazine founded by Lyndon H. LaRouche is uniquely qualified to identify the essential parameters and critical leads to this investigation. For over 10 years, *EIR* has investigated and exposed the relationship between British and U.S. intelligence agencies, and the Iranian fundamentalist revolution, and the hostage-taking. *EIR* has "scooped" the world's press on reporting both Kissinger's role, and the role of **Cyrus Hashemi**, the Iranian arms dealer who is now widely reported to have played a key role in these events.

- On Christmas Eve 1979, *EIR* investigators obtained photographic evidence that an Iranian military procurement office, headed by active duty Iranian military officer Capt. **Siavash Setudeh**, was operating out of a U.S. **Naval Intelligence** building in Washington, D.C. The U.S. government office housing Captain Setudeh and a staff of Iranian military personnel was adorned with a poster-size portrait of Ayatollah Khomeini. This was weeks after the U.S. hostages had been seized in Teheran.

- In July 1980, *EIR* exposed the **FBI** and **CIA**'s deal with Khomeini to allow **Savama** hit squads to operate with impunity on American soil. Specifically, *EIR* documented the failure of federal agencies to prevent the assassination of anti-Khomeini activist **Dr. Ali Tabatabai** in a Washington, D.C. suburb—after the FBI had been warned in advance about a threat to the exiled leader's life.

- On Dec. 2, 1980, *EIR* reported on Kissinger's secret negotiations with Ayatollah Beheshti and key figures in the Muslim Brotherhood, and how the efforts by Kissinger and British intelligence had cost Carter the presidential election.

- During 1980, *EIR* reported on Cyrus Hashemi's financing of pro-Khomeini terrorism in the U.S. *EIR* continued to investigate and publicize this story after all other U.S. publications, including the *Wash-*

ington Post, backed down under pressure of a libel suit. *EIR* fought the libel suit, and won.

- In August 1983, *EIR*'s news service ran an exclusive, detailed account entitled "How Kissinger Delayed the Release of U.S. Hostages in Iran." This article also described how gun-runners Cyrus Hashemi, and **Sadeqh Tabatabai** had been taken over by Kissinger and Reagan administration circles. This story was based on leads concerning the October Surprise provided to *EIR* reporters by **Jamshid Hashemi**, Cyrus Hashemi's brother, and a principal source for the recent round of October Surprise revelations.

- Throughout the 1980s, *EIR* continued to report on the **Justice Department's** coverup of the Hashemi case and Iranian gun-running and terrorism. *EIR*'s investigation of the Hashemi case was the most thorough of any news agency in the world, and was picked up by many other publications and investigated.

- Using the Freedom of Information Act, *EIR* obtained the first declassified documents showing Hashemi's meetings with Carter State

Department officials in January 1980, proving that the State Department had adopted Hashemi's arms-for-hostages program long before the Iran-Contra affair.

- *EIR* is the only publication to have pursued the case of the "missing" FBI wiretaps of discussions between Hashemi and former Justice Department official **Stanley Pottinger**. These wiretaps, in place from November 1980 to January 1981, could provide critical evidence regarding the October Surprise. Although the existence of these wiretaps has been documented in court proceedings, the FBI has reportedly "lost" them.

In calling for a congressional investigation, *EIR* has offered to make its resources and evidence available to any responsible investigator.

A spokesman for **Democrats For Economic Recovery**, the 1992 LaRouche presidential campaign organization, has announced that it will back the *EIR* investigation call and will attempt to focus public attention on the need for a thorough probe of the October Surprise story.

Thornburgh To Run For Senate?

On April 16, the Fox television network's magazine format program "A Current Affair" aired a lengthy story on Attorney General **Richard Thornburgh**, focusing on two of his top aides who have been recently convicted of cocaine use and perjury. The aides, **Henry Barr** and **Richard Guida**, were both indicted by a Harrisburg, Pa. federal grand jury probing a cocaine ring that serviced state government officials and local lawyers and bankers during Richard Thornburgh's two terms as Pennsylvania governor. According to one drug trafficker-turned-government-witness, who appeared on the show, former state Assistant Attorney General

Guida bought one pound of pure cocaine from her for \$16,000 in cash at a time that he was Pennsylvania's top criminal prosecutor.

The "A Current Affair" segment was highlighted by an interview with former Congressman **Don Bailey** (D-Pa.). Bailey was Auditor General of Pennsylvania during Thornburgh's tenure as governor. He placed the responsibility for the Guida-Barr cocaine ring squarely on the shoulders of the Attorney General. Thornburgh covered up the crimes of his cronies and ruthlessly targeted his political enemies for frameup by the state and federal prosecutors offices, Bailey charged.

Early this year, AG Thornburgh

testified at the trial of Henry Barr, who was his executive assistant at the Department of Justice from August 1988 through May 1989, that he had no personal knowledge of his deputy's drug use. Former Pennsylvania officials strongly doubt the truthfulness of that testimony.

In a highly unusual and controversial move, Thornburgh had refused to be sworn in before his testimony at the trial—asserting that, as Attorney General, he was automatically obliged not to commit perjury. Pennsylvania sources dispute that interpretation of the law, and say that the AG was conscious about having to avoid sworn statements that might later be proven false.

As the result of the TV broadcast, state Republican Party officials reportedly decided to invite Teresa Heinz, the widow of U.S. Sen. **John Heinz**, to accept the party's nomination for the vacated seat. The party officials, according to sources in the state, feared an embarrassing scandal and possible defeat in the Nov. 5 special election should they nominate Thornburgh for the Senate.

Now, things have gotten much more complicated for the state GOP, with the announcement April 24 that Mrs. Heinz has decided not to seek the party nod for her late husband's Senate seat. Citing "too many family responsibilities and too many new duties," Mrs. Heinz, a prominent environmentalist, said she did not feel she could devote "the time and total commitment" required for the campaign or senate service.

Again, well-placed sources in Pennsylvania have another explanation for Mrs. Heinz's decision not to run. They cite direct pressure from **Elsie Hillman**, a Pittsburgh area GOP powerhouse and one of the most important sponsors of the political career of Dick Thornburgh, as the reason behind her decision to balk at the stop-Thornburgh offer.

The decision by Mrs. Heinz now puts the Thornburgh nomination

back on the front burner. According to news accounts, Thornburgh has been urged by President Bush to seek the Senate seat. He met recently with Sens. **Robert Dole** (R-Kans.) and **Phil Gramm** (R-Tex.) and got national party backing for a run.

On May 11, the Pennsylvania State Republican Committee were to meet to decide upon their nominee; however, that meeting has now apparently been postponed until mid-June. Apparently, Thornburgh needs all the time he can get to "damage control" the numerous scandals that surround his tenures as governor of Pennsylvania and

U.S. Attorney General before he—and the White House—decide whether he can run the risk of a heated electoral campaign.

Whether Thornburgh uses the senatorial race as a convenient pretext for leaving Washington or not, **President Bush** should dump his Attorney General now. There is no place in the federal law enforcement command for a man who surrounded himself with known drug users and traffickers, and who fostered a concept of law—the Thornburgh Doctrine—which licensed U.S. officials to conduct kidnappings and other crimes on foreign soil.

Is South Africa the Next U.N. Target?

Military experts in the Namibian capital of Windhoek are increasingly worried that the Republic of South Africa (R.S.A.) will be the next target of U.N. military intervention, possibly as early as this summer.

While Namibia has made a remarkably smooth transition over the past two years to political independence, and the situation in Angola appears headed in a similar direction, these sources are concerned that the R.S.A. is about to explode into a civil war, providing justification for outside intervention by the **U.N. Security Council**.

Since the beginning of April, several developments inside the R.S.A. have escalated these fears. First, the **South African Communist Party** (CP), long an important influence inside the ranks of the **African National Congress** (ANC), has begun agitating for a more violent response to both the rival **Inkatha** movement of Kwazulu chief **Mangosuthu Buthelezi**, and to the government of **F.W. DeKlerk**, which, the Communists charge, is sitting on the sidelines allowing black versus black fighting to escalate out of

control.

Chris Hani, a leading CP member inside the ANC's military wing **Umkhonto we Sizwe** (Spear of the Nation), has called for the formation of self-defense units inside the black townships to thwart attacks by Inkatha and the South African police, the April 25 *Washington Post* reported. While claiming that these units would be separate from the ANC's military command and would only defend against outside attacks, in the same breath, Hani threatened that if the United States moved to lift sanctions against the R.S.A., the ANC-led coalition of anti-apartheid groups would launch a nationwide strike wave.

The U.S. Congress is scheduled to begin hearings at the end of April to take up the question of lifting sanctions. Early this year, the European Community moved to partially lift sanctions against the R.S.A. According to U.S. State Department officials, lifting sanctions would occur only if the DeKlerk government were to free all remaining political prisoners and repeal the Population Registration Act and the Group Ar-